

CITY OF WENATCHEE



2015 BUDGET 2014 BUDGET AMENDMENT

November 20, 2014

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Financial Policy

The City established Financial Management Policies that provide a framework for long term financial stability. Specific goals include:

- providing adequate levels of municipal services by relying on ongoing resources,
- maintaining an adequate financial base to withstand changes in volatile revenue sources,
- maintaining a good credit rating in the financial community,
- ensuring the City is in a position to respond to changes in the economy or new service requirements without undue financial stress,
- maintaining City facilities, infrastructure, equipment and fleets in a well-planned and efficient manner.

To accomplish these goals the City established budget guidelines that require ongoing or recurring revenues be equal to or exceed ongoing expenditures and any new operating expenditures be supported by ongoing operating revenues. To withstand changes in the economic environment Fund Balance Reserve goals were developed. The reserve policies are:

Reserve Fund Policies (reserve balances evaluated at 12/31)

1. Operating Reserves:
 - a. The operating funds excluding the General Fund, the utility funds, Self-Insurance Fund, Equipment Rental Fund and the Information Services Fund will maintain an unrestricted fund balance of two months or 17% of recurring expenditures to ensure adequate cash flow.
 - b. The General Fund will maintain an unrestricted fund balance of 15% of recurring expenditures to ensure adequate cash flow.
 - c. The utility funds will meet reserve requirements indicated in the appropriate rate studies and bond covenants and will meet the financial policies presented to the City Council in March of 2011.
 - d. The Self Insurance Fund will maintain an unrestricted fund balance \$500,000 greater than the annual insurance premium.
 - e. The Equipment Rental and Replacement Fund will maintain a reserve balance adequate to replace equipment on an established schedule.
 - f. The Information Services Fund will maintain a reserve fund balance sufficient to annually replace equipment and software and cover operations.
2. Contingency Reserves:
 - a. The General Fund will also maintain a \$1,000,000 Rainy Day restricted fund balance to be used only with Council approval. The reserve will be established and replenished from one-time revenues not committed for other purposes, excess operating reserves or by budgetary action.
 - b. The Street Fund will maintain a \$250,000 contingency reserve in addition to the operating reserve to cover the costs of unexpected street repairs and the additional costs to snow plow in unusually harsh winters. The reserves will be established over a four year period and if subsequently drawn down will be replenished in no more than two years.
3. A Capital Reserve will be established for the governmental funds facilities in the Facility Maintenance Fund based on a maintenance plan approved by the Finance Committee.

General Fund

Summary

The General Fund is the principal governmental fund of the City and is used to account for all revenues and expenditures which are not accounted for in any other fund. The 2015 preliminary budget is presented with approximately 80% of General Fund's recurring revenues coming from property taxes, sales taxes and utility taxes. Recurring revenues of the General Fund pay for the ongoing services provided to the citizens of Wenatchee. Salary and benefits are 60% of the General Funds recurring expenditures.

The ongoing services the General Fund provides are:

- *Public safety* which is 66% of the General Fund's recurring expenditures and include police, fire, detention of prisoners, prosecution and defense of individuals in Wenatchee's legal system, animal control and police and fire retiree medical.

- *Community services* include code enforcement, planning, and engineering and are 10% of the General Fund's recurring expenditures.
- *Recreation services* include recreation programs, swimming pool, park ground maintenance, museum operations and library support and are 9% of the General Fund's recurring expenditures.
- *Administration* provides general services to city departments and citizens and is 14% of the General Fund's recurring expenditures. Administrative services include city council, mayor, city clerk, human resources, finance, city attorney, building maintenance, property liability insurance for all general fund services and departments, debt service, cemetery operations support and Public Facilities District support.

The 2015 preliminary budget was developed with the following assumptions:

- The City budgeted a 1.5% COLA for AFSCME Union and management non-represented employees, 2.25% for IAFF union employees
- Medical premium costs increase 5%
- PERS Retirement contributions will increase 21% from 9.21% to 11.18%
- Labor and Industries rates will increase 3% to 20% depending on the work group
- Funding for additional staffing: parks maintenance; traffic engineer - 20% general fund 80% street maintenance; ½ FTE in planning, permit specialist - 60% general fund 40% to other funds; and a police officer.
- The City's liability for the Public Facilities District's has been eliminated
- The City will not fund an equipment replacement fund for fire apparatus
- Property taxes are increased the 1% allowed by I747 plus new construction and annexations with \$4,833,410 of the taxes going to the general fund and 1,208,350 to the street maintenance fund.
- Sales taxes are estimated with a 2% growth and approximately \$50,000 in one time construction revenues.
- Utility taxes have increased due to the addition of the tax on PUD water customers inside city limits
- Licenses/Permits has increased do to an agreement with Confluence Health to pay a licensing fee for the next 2 years
- The General Fund reserve is estimated to be 14.14% or \$3,022,272 which is .86% or \$184,281 below the 15% reserve goal of the Financial Policies.

The 2014 budget is being amended, in part, by the following items:

- Estimated sales tax increase \$100,000
- One time revenues increased \$1,725,000; consisting of \$1,000,000 legal settlement with Global Entertainment, \$575,000 estimated back water utility taxes, and \$200,000 in miscellaneous grant reimbursements.
- The L&I rates increased 8% greater than anticipated which increases expenditures in all department.
- The City's inmate population has been less than expected reducing expenses \$150,000
- The anticipated fire truck replacement did not happen therefore \$80,000 was shifted from the equipment replacement fund to the facility maintenance fund to fix and upgrade the HVAC system at the main fire station.
- The City does not have a liability to reimburse the Chelan Co PUD or its customer for back utility taxes reducing expenditures \$160,000
- \$500,000 of the Global legal settlement was committed to legal fees and shared with the PFD
- Additional principal payment of \$1,200,000 on the 2013 Refunding LTGO

2014 Budget Amendment & 2015 General Fund Budget Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Property tax	4,500,406	4,573,206	4,716,316	4,781,159	0	4,781,159	4,833,410	52,251	1.1%
Sales & use tax	6,320,221	6,242,687	6,220,653	6,100,000	100,000	6,200,000	6,313,000	113,000	1.8%
Criminal justice sales tax	543,822	559,813	601,611	538,500	0	538,500	550,000	11,500	2.1%
Utility Taxes	5,124,717	5,292,081	5,016,695	5,423,000	0	5,423,000	5,665,500	242,500	4.5%
Other Taxes	273,812	319,375	259,930	257,644	0	257,644	265,600	7,956	3.1%
Licensing/Permits	651,162	613,870	796,332	620,900	0	620,900	818,400	197,500	31.8%
Intergovernmental	1,148,410	866,187	526,289	545,573	0	545,573	546,375	802	0.1%
Olds Station Revenue Sharing	12,000	87,255	14,400	31,600	0	31,600	4,800	(26,800)	-84.8%
Charge for Services	1,814,681	1,819,616	1,370,936	1,397,890	0	1,397,890	1,346,905	(50,985)	-3.6%
Fines Forfeits	1,245,482	1,066,089	1,025,164	1,002,000	0	1,002,000	991,000	(11,000)	-1.1%
Misc Revenues	1,257,615	189,668	110,420	56,840	0	56,840	57,750	910	1.6%
Nonrecurring Revenues	0	0	591,921	906,347	1,725,000	2,631,347	71,450	#####	-97.3%
Transfers In	367,582	323,096		0	0	0	12,800	12,800	#DIV/0!
Total Revenues	23,259,910	21,952,943	21,250,667	21,661,453	1,825,000	23,486,453	21,476,990	#####	-9%
Expenditures									
City Council/Admin	(653,967)	(614,157)	(658,970)	(690,141)	(6,165)	(696,306)	(805,875)	(109,569)	16%
Finance	(1,026,511)	(982,314)	(653,384)	(721,074)	(110)	(721,184)	(705,710)	15,474	-2%
Code Enforcement	(554,327)	(569,325)	(606,605)	(639,443)	(920)	(640,363)	(567,335)	73,028	-11%
Planning	(362,912)	(374,337)	(503,539)	(573,182)	(7,725)	(580,907)	(657,570)	(76,663)	13%
Engineering	(668,528)	(680,884)	(759,940)	(819,148)	(1,335)	(820,483)	(869,275)	(48,792)	6%
Recreation	(553,802)	(528,317)	(521,514)	(579,158)	(1,470)	(580,628)	(604,540)	(23,912)	4%
Park Maintenance	(772,122)	(803,197)	(890,772)	(896,719)	(1,700)	(898,419)	(978,395)	(79,976)	9%
Museum	(516,190)	(511,603)	(363,822)	(344,350)	(205)	(344,555)	(384,860)	(40,305)	12%
Fire	(3,568,430)	(3,509,642)	(3,400,017)	(3,554,067)	(9,840)	(3,563,907)	(3,493,865)	70,042	-2%
Police	(6,289,943)	(6,395,045)	(6,310,081)	(6,331,120)	(8,830)	(6,339,950)	(6,514,165)	(174,215)	3%
Other Public Safety	(3,937,828)	(3,848,242)	(3,931,747)	(3,862,202)	145,000	(3,717,202)	(3,813,380)	(96,178)	3%
Other Administrative	(4,427,702)	(2,818,772)	(1,797,787)	(1,852,781)	13,500	(1,839,281)	(1,982,050)	(142,769)	8%
Non-Recurring Expenses	(461,810)	(359,616)	(454,757)	(763,526)	(1,811,615)	(2,575,141)	(208,665)	2,366,476	-92%
Total Expenditures	(23,794,072)	(21,995,451)	(20,852,935)	(21,626,911)	(1,691,415)	(23,318,326)	(21,585,685)	1,732,641	-7%
Recurring Revenues	21,276,497	21,286,133	20,658,745	20,755,106	100,000	20,855,106	21,392,745		
Recurring Expenses	(23,332,262)	(21,635,835)	(20,398,178)	(20,863,385)	120,200	(20,743,185)	(21,377,020)		
Recurring Revenues greater (less) than Recurring Expenditures	(2,055,765)	(349,702)	260,567	(108,279)	220,200	111,921	15,725		
Total Revenues greater than (less) than expenditures	(534,162)	(42,508)	397,732	34,542	133,585	168,127	(108,695)		
Beginning fund balance	3,141,778	2,607,616	2,565,108	2,962,840		2,962,840	3,130,967		
Ending fund balance	2,607,616	2,565,108	2,962,840	2,997,382		3,130,967	3,022,272		
Fund Balance Reserve % of recurring expenses	11.18%	11.86%	14.53%	14.37%		15.09%	14.14%		

	2014 One Time Activities			2015 One Time Activities			
	Revenues	Expenses		Revenues	Expenses		
City utility taxes 3 years	788,538	(160,000)	PUD tax	Sales taxes	50,000	(21,450)	Grant Exp
One time sales taxes	72,000	(350,000)	Fire Truck	Grant Rev	21,450	(11,500)	Pool capital
Grant Rev	45,809	(135,717)	502 loan			(8,500)	SmartGov training
		(50,000)	Union			(7,250)	Planning training
		(15,000)	Abatement Fund			(70,000)	Election costs
		(7,000)	BPV			(53,165)	Police hiring
		(45,809)	Grant exp			(36,800)	Fire misc
	<u>906,347</u>	<u>(763,526)</u>			<u>71,450</u>	<u>(208,665)</u>	

City Council / Administration

Mayor's Office – City Council

The Mayor's Office/Department is staffed by the Mayor, Executive Services Director, City Clerk and on call Deputy City Clerk. The department is support to the Wenatchee City Council.

Under the Mayor/Council form of government, the Mayor is the official and ceremonial head of the City. He serves as the chief executive officer and is charged with the responsibility of ensuring that all policies, laws and ordinances enacted by the Council are carried out. The Mayor sets the agenda for, and presides over, all City Council meetings and reports to the Council regarding City affairs including operational, financial, and other needs. He also makes recommendations for Council consideration and action. The Mayor, in coordination with the Finance Department, is responsible for the creation and presentation of the City's annual operating and capital budgets.

The City Council is comprised of seven members who are elected at large. Through legislative action the Council sets policy and provides direction to be carried out by the Mayor and appointed staff. Among other things, the Council is responsible for establishing and prioritizing levels of service for all City operations and for the adoption of the City's annual operating plan and capital budgets. Council members and the Mayor represent the city in serving on various community boards and councils including two City Council Committees: Finance and Public Safety.

The City Council meets in public session at Wenatchee City Hall on three evenings each month at 5:15 p.m. Work sessions are held on the third Thursday of the month while regular meetings are held on the second and fourth Thursdays of each month. Each meeting is preceded by a City Council committee meeting.

The Mayor's office performs the following:

- Administers the operation of the City, carries out City Council policy direction and negotiates appropriate contracts, agreements, etc. that implement the direction
- Coordinates and carries out all City Council meetings - regular meetings, special meetings, work sessions and committee meetings (legal notices, agendas, packets, communications, minutes, and codification) and maintains official city records
- Works with Finance and City departments on overall city budget and needed implementation
- Liaison work with State and Federal Legislators, along with other State associations, and liaison with organizations seeking City assistance
- City lead for public relations efforts/sister cities
- Staff support to Diversity Advisory Council, Wellness Committee, Lodging Tax Advisory Committee, Tourism Promotion Area and City Council committees
- Point of contact for citizen requests, complaints, damage claims, lawsuits, and public records requests
- Oversight of Human Resources and all associated needs including labor contracts and negotiations, employee benefit programs, etc.
- Provide ongoing website/facebook editing and updates and e-news
- Lead for annual Americans with Disabilities Act review

2014 Goals and Accomplishments

- ✓ Continued Let's Talk Wenatchee process
- ✓ Mayor's Sustainability Committee worked to develop a list of recommendations for long term sustainability of the city
- ✓ Work with Legislative delegations / committees to ensure priority projects and issues were represented
- ✓ Continued annual Diversity training and provided a public forum for ADA issues
- ✓ Communicated successes of city departments and advisory committees in a regular format (e-news, Facebook and city website)
- ✓ Carried out work plan with Lodging Tax Advisory Committee and Tourism Promotion Area
- ✓ Initiated city wide training for city Directors, Managers, Supervisors
- ✓ Carried out successful contract negotiations with Chelan County District Court, Indigent Defenders, and the Regional Library
- ✓ Received the WellCity Award (7 years) and carried out process to obtain 50% participation on the health questionnaire by September 1, 2014
- ✓ Initiated the 2014 Convention Center improvement project at the direction of the Lodging Tax Advisory Committee
- ✓ Carried out work plan to comply with the 2013 Federal Civil Rights audit of the City
- ✓ Worked with Women's Resource Center on their effort to open the Parkside Apartments

- ✓ Initiated quarterly meeting process with Wenatchee School District staff in light of their upcoming building program
- ✓ Participated in the Washington Survey and Ratings Bureau update
- ✓ Provided input to federal post office relocation process and initiated conversations with the General Services Administration regarding the future of the Federal Building

The 2014 budget amendment reflects the costs associated with economic trends data collection and city wide management training.

General Fund Council / Administration Departments

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Interfund charges	211,488	184,411	73,966	74,449	0	74,449	74,545	96	0%
Expenses - Salary/benefits	(448,923)	(467,710)	(497,724)	(491,891)	(65)	(491,956)	(569,675)	(77,719)	16%
Expenses - Misc	(55,933)	(50,988)	(58,179)	(71,720)	(6,100)	(77,820)	(86,870)	(9,050)	12%
Expenses - Internal services	(55,406)	(51,300)	(52,170)	(51,530)	0	(51,530)	(54,330)	(2,800)	5%
Expenses - Election costs	(93,705)	(44,159)	(50,897)	(75,000)	0	(75,000)	(95,000)	(20,000)	27%
Total expenses	(653,967)	(614,157)	(658,970)	(690,141)	(6,165)	(696,306)	(805,875)	(109,569)	16%
Net impact to general fund	(442,479)	(429,746)	(585,004)	(615,692)	(6,165)	(621,857)	(731,330)	(109,473)	18%
FTE positions	4.0	4.0	4.0	4.0			4.67		

2015 Goals

- Implement recommendations of the 2014 Sustainability report/effort
- Complete the Convention Center improvement project and assist with Convention Center contract and financing
- Continue to monitor critical facility transitions i.e. Post Office/General Services administration
- Prepare for 2015 election process and provide resources for candidates for city offices
- Participate in July 4 fundraising effort and event transition
- Carry out 2015 contract negotiations with the Wenatchee Valley Museum and Cultural Center, Regional Jail, Humane Society
- Communicate city needs to Legislators and Staff, work with AWC committees
- Complete and evaluate City wide training of Directors, Managers and Supervisors
- Continue Wellness effort
- Continue work with various boards and committees
- Continue to communicate successes of city departments and advisory committees in a regular format (e-news, Facebook and city website)

2015 Budget Requests

The Mayor/Council budget simply reflects adjusting budget line items to the regular expectation for doing business:

- All categories (office supplies, printing, professional services, mileage/registrations) reflect a more realistic budget amount for carrying out the work of the Mayor/Council as well as initiatives such as Let's Talk and the addition of a Deputy Clerk to provide back up for the City Clerk
- Support for additional training for the addition of the Clerk support (Deputy Clerk)
- This department supports the membership for the city for the Association of Washington Cities and that membership increased this year.
- 2015 is an election year for Mayor and Council and we anticipate a public vote on the fire annexation question, so the election line item has been set to reflect this.

Human Resources Department

The Human Resources Department works in close collaboration with the Mayor's office. The Human Resources Department's mission is to provide quality, customer-focused human resources services to attract, develop, motivate and retain a diverse workforce within a supportive work environment.

The Human Resources Department works to position the City as an employer of choice. We partner with departments to hire, compensate, support and develop a diverse workforce dedicated to delivering high-quality performance to the City of Wenatchee and our constituents. The department is responsible for policies and programs covering employment,

compensation, benefits, recruiting and retention, performance management, labor management, employee relations, organizational development, training and development, succession planning, workforce planning, and compliance with all applicable federal, state and local laws.

2014 Goals & Accomplishments

- ✓ Manage day-to-day labor relations for 165 employees.
- ✓ Oversee administration of the employee benefits program to attract and retain qualified employees.
- ✓ Monitor the Affordable Health Care requirements.
- ✓ Manage all federal and state leave laws. Coordinate with Directors/Managers.
- ✓ Manage Labor & Industries Workers' Compensation program.
- ✓ Monitor and manage L&I Return to Work Reimbursement Program.
- ✓ Oversee LEOFF 1 Disability and Firemen's Pension Boards. Monitor pension requirements.
- ✓ Conduct and/or participate in salary surveys.
- ✓ Provide leadership on controlling benefits costs and explore options for further savings.
- ✓ Update the employment handbook and policies.
- ✓ Update job descriptions as needed.
- ✓ Labor contract negotiations with the three collective bargaining unit groups.
- ✓ Successfully settled a three-year labor contract with Public Works (AFSCME 846).
- ✓ Leadership Training for Directors, Managers and Supervisors (November and December, 2014).
- ✓ Ongoing city-wide employee education/training through RMSA-U.
- ✓ Americans with Disability Act (ADA) compliance/oversight.

2015 Goals

- Ongoing Leadership Training for Directors, Managers and Supervisors (January and February, 2015).
- Continue employee education/training through RMSA-U.
- Continue to work with Directors on a succession planning process to prepare for employee retirements.
- Continue to provide leadership on controlling benefits costs and explore options for further savings.
- Ensure the City is in compliance with the Affordable Care Act.
- Complete updating of employment handbook and policies.
- Attend labor relations conference, May 2015.
- Continue to strengthen the City's safety program.
- Update Employee Evaluation process

Finance Department

The Finance Department's mission is to assist the Mayor, Council, City Staff and Citizens in the areas of financial planning, budgeting, reporting and overall stewardship of the City's resources.

The Finance Department is responsible for the administration, coordination, supervision and control of the Cities financial activities. The department performs the following activities in compliance with acceptable accounting practices and state, federal, local and contractual guidelines:

- Accounts Receivable/Payable
- Payroll for 4 employee groups
- Annual Budget Coordination/Preparation
- Annual Financial Report Preparation
- Cash Management
- Internal Control
- Utility Billing & Collection
- Business License
- Local Improvement District Billing
- Transportation Benefit District Finances
- Monthly & Quarterly Financial Reporting
- Manage Financial Software
- Coordinate Annual State Audit

2014 Goals and accomplishments:

- ✓ Develop and implement an investment policy - completed
- ✓ Complete 2013 City and TBD annual financial statements by April 30 – completed mid May
- ✓ City & TBD financial and compliance audit on site work done by July 30th – goal not met
- ✓ Develop a debt policy – not completed

- ✓ Provide monthly financial reports – goal not met consistently
- ✓ Finalize a new contract with Waste Management – not completed
- ✓ Complete transfer of garbage billing to Waste Management by 5/31/14 - completed
- ✓ Compile/prepare/present 2015 budget - completed
- ✓ Outsource the printing, inserting and mailing of the utility bills before the new postage requirements begin, January 19, 2014 - completed
- ✓ Convert business licensing software and assist with city code amendments – not started

General Fund Finance Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Interfund charges	586,327	571,889	283,464	291,091	0	291,091	270,580	(20,511)	-7%
Revenues - Charge for services	78,482	13,401	0	0	0	0	0	0	#DIV/0!
Total revenues	664,809	585,290	283,464	291,091	0	291,091	270,580	(20,511)	-7%
Expenses - Salary/benefits	(906,395)	(852,675)	(552,913)	(615,324)	(110)	(615,434)	(594,740)	20,694	-3%
Expenses - Misc	(54,766)	(60,458)	(59,001)	(65,100)	0	(65,100)	(72,200)	(7,100)	11%
Expenses - Internal services	(65,350)	(69,181)	(41,470)	(40,650)	0	(40,650)	(38,770)	1,880	-5%
Total expenses	(1,026,511)	(982,314)	(653,384)	(721,074)	(110)	(721,184)	(705,710)	15,474	-2%
Net impact to general fund	(361,702)	(397,024)	(369,920)	(429,983)	(110)	(430,093)	(435,130)	(5,037)	1%
FTE positions	11.8	11.0		6.7			6.04		

2015 Goals:

- Complete 2013 City and TBD annual financial statements by April 30
- City & TBD financial and compliance audit on site work done by July 30th
- Develop a debt policy
- Provide monthly financial reports
- Finalize a new contract with Waste Management

The 2015 payroll decrease is due to shifting budget of shared staff to Administrating/Human Resources. Misc Expense budget is increased due to the increased costs of the City's annual audit.

Code Enforcement Department

The Code Enforcement Division includes the following three primary functions:

1. Front counter customer service for Community and Economic Development, Public Works, and Parks and Recreation Departments
2. Building Code Compliance including plan review and inspection
3. City Code Enforcement

Code enforcement building services mission is to support and protect the community's investments in infrastructure through plan review, inspections, and implementation of the city and building codes. In addition, code enforcement plays a vital role in supporting neighborhood and commercial development. The Department serves the citizens and visitors of Wenatchee by effectively and efficiently administering state and local building code provisions which provide minimum standards to safeguard life, health, property and public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings and structures within our jurisdiction. This is accomplished through fair and consistent enforcement of the codes and standards adopted by the State of Washington.

The Code Enforcement Division is responsible for . . .

- Provide front counter services for the Public Services Center
- Responding to inquiries from the general public
- Intake Building, Planning, Environmental, and Engineering permit applications
- Routing, creating and coordination of all applications
- Review all building plans for code compliance
- Issuance of 400-600 permits and provide approximately 2400 inspections yearly
- Provide flood elevation determinations, inspections and certificates
- Code compliance and nuisance abatement with an emphasis on inoperable vehicles, poor property maintenance, garbage and debris and substandard housing conditions
- Provide new business license inspections

2014 Goals/Accomplishments:

- ✓ Filled vacant code enforcement officer position
- ✓ Issued building permits and performed inspections
- ✓ Performed business license inspections for new and relocated businesses
- ✓ Hosted citywide recycle event on April 12, 2014
- ✓ Code Enforcement emphasis in the CDBG area
- ✓ Process approximately 500 code enforcement cases
- ✓ Continue plan archival in the vault
- ✓ Implemented SmartGov permitting software
- ✓ Continue working on streamline permitting
- ✓ Assisted with development applications to comply with City code such as pre-application meetings
- ✓ Respond to inquiries by the public and addressed complaints
- ✓ Continue staff training to maintain current understanding of codes and facilitate staff development
- ✓ Provide accountable review of all permit applications in a timely manner
- ✓ Developed new Code Enforcement process – Title 16
- ✓ Developed chronic nuisance codes
- ✓ Completed Surveys and Ratings Bureau review of the building division

General Fund Code Enforcement Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Interfund charges	128,636	73,848	35,328	36,700	0	36,700	36,700	0	0%
Revenues - Charge for services	356,352	336,088	489,721	338,000	0	338,000	388,000	50,000	15%
Total revenues	484,988	409,936	525,049	374,700	0	374,700	424,700	50,000	13%
Expenses - Salary/benefits	(504,650)	(517,377)	(554,037)	(574,416)	(920)	(575,336)	(503,185)	72,151	-13%
Expenses - Misc	(15,335)	(18,781)	(17,034)	(24,045)	0	(24,045)	(30,975)	(6,930)	29%
Expenses - Internal services	(34,342)	(33,167)	(35,534)	(40,982)	0	(40,982)	(33,175)	7,807	-19%
Total expenses	(554,327)	(569,325)	(606,605)	(639,443)	(920)	(640,363)	(567,335)	73,028	-11%
Net impact to general fund	(69,339)	(159,389)	(81,556)	(264,743)	(920)	(265,663)	(142,635)	123,028	-46%
FTE positions	6.0	6.0		5.7			5.07		

2015 Goals:

- Update and implement new codes – Develop a policy manual for code enforcement
- Implement SmartGov Permitting system code enforcement, public portal and business licensing
- Improve SmartGov permitting system implementation
- Host citywide recycle event in the spring if funded
- Continue nuisance code updates
- Continue staff training to maintain current understanding of codes and facilitate staff development
- Provide accountable review of all permit applications in a timely manner
- Continue to work on records management backlog.
- Work with Fire Department and Police Department for coordination of code enforcement
- Develop new and enhance existing policies which apply to specific situations that the codes do not specifically address in order to promote consistency and fairness in the enforcement of codes

Significant 2015 Budget Issues:

- Building permit activity is expected to improve.
- Front Counter Staffing – Opening the office on Friday.
- Refilling the Plans Examiner position

Community Development – Planning Department

The Community Development Department-Planning Division is responsible for working with the community to provide planning services that guide development, improve the quality of life for its citizens, and enhance the economic health of the City.

The Planning Division is responsible for:

- Customer Service public through outreach
- Respond to inquiries on land use and environmental issues
- Facilitation of development in compliance with the City Comprehensive Plan, including predevelopment meetings
- Comprehensive planning and Growth Management Act compliance
- Economic Development, for example Local Revitalization Financing program
- Capital Facilities Planning
- Neighborhood engagement
- Building permit reviews for zoning, critical areas, and SEPA compliance
- Ongoing permit center development and streamlining initiatives
- Processing land use applications, including subdivisions, boundary line adjustments, binding site plans, planned developments, conditional use permits, and variances
- Implementation and Development of Zoning and Development Regulations, including subdivisions and critical areas
- State Environmental Policy Act (SEPA) compliance
- Shoreline Management Act compliance
- Administer Wenatchee Historic Preservation program, including reviewing actions for historic preservation compliance and staff to the Historic Preservation Board
- Staff Planning Commission, and Hearing Examiner processes
- Processing city annexations
- Chelan-Douglas Counties Homeless Plan, including staff to Homeless Housing Task Force, and administration of local homeless recording fees, State Consolidated Homeless Grant, and State Housing and Essential Needs grant
- Administration and implementation of Community Development Block Grant (CDBG) entitlement program
- Addressing, assigning new addresses and processing address change requests

2014 Goals/Accomplishments:

- ✓ Filled two open Associate Planner positions and implemented training program
- ✓ Filled Housing and Community Planner position
- ✓ Completed Annual Capital Facilities Plan and Wenatchee Comprehensive Plan amendments
- ✓ Continued work updating the Chelan-Douglas Homeless Plan and adjusting to new program requirements resulting from legislation changes.
- ✓ Completed Shoreline Master Program Update after receiving approval from WSDOE.
- ✓ Completed environmental analysis for 25 North Worthen and secured hotel
- ✓ Participated in the Metropolitan Planning Organization concerning transportation planning
- ✓ Performed Permit review for Hearing's Examiner development applications
- ✓ Provided development assistance to prospective project applicants
- ✓ Completed one annexation
- ✓ Implemented LRF tax rebate and associated development agreements on the waterfront
- ✓ Completed Worthen Stairs Project in partnership with the Port of Chelan County
- ✓ Completed PUD utility tax compliance review
- ✓ Completed Olds Station Revenue Sharing Agreement compliance review
- ✓ Completed HUD Audit requirements
- ✓ Managed local and state homeless funds on behalf of Chelan and Douglas counties
- ✓ Managed Community Development Block Grant program, including Parkside Sidewalks
- ✓ Developed Coordinated Entry system, performed landlord outreach, and initiated Rapid Rehousing programs
- ✓ Obtained CERB planning grant and initiated South Wenatchee Subarea Plan development
- ✓ Managed downtown sidewalk uses demonstration program
- ✓ Completed priority development code amendments
- ✓ Assisted the Mayor's office with the neighborhood outreach effort, Let's Talk
- ✓ Monitored economic indicators
- ✓ Developed Neighborhood Grants program
- ✓ Addressed I-502 code updates requested by Mayor and Council
- ✓ Provided Information Mayor's Sustainability committee and annexation analysis
- ✓ Implemented SmartGov permit software system
- ✓ Participated in NCWEDD and economic development efforts such as co-working and maker space.

- ✓ Held Historic Home tour in partnership with the Museum
- ✓ Work on WSDOT property redevelopment strategies
- ✓ Initiated Downtown Redevelopment strategies for buildings and public infrastructure
- ✓ Submitted for and was ranked 2 and 3 by the NCEDD for WSDOT relocation and BNSF terminal Relocation
- ✓ Developed partnership for BNSF terminal relocation and completed \$35,000 feasibility contract with BNSF
- ✓ Streamlined historic permit reviews
 - Initiated the 2017 Comprehensive Plan Update process with background research
 - Fifth street secondary access planning
 - South Wenatchee Sub-Area Plan
 - Cottage Housing Code Amendments
 Some priority code updates were not able to be completed

General Fund Planning Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Interfund charges	17,772	10,389	29,510	112,000	0	112,000	128,635	16,635	15%
Revenues - Charge for services	27,988	25,305	9,961	21,050	0	21,050	24,850	3,800	18%
Revenues - Transfers in 117	29,705	70,370	68,181	0	0	0	0	0	#DIV/0!
Total revenues	75,465	106,064	107,652	133,050	0	133,050	153,485	20,435	15%
Expenses - Salary/benefits	(283,972)	(304,100)	(432,546)	(476,238)	(7,725)	(483,963)	(560,470)	(76,507)	16%
Expenses - Misc	(28,546)	(40,454)	(40,322)	(52,481)	0	(52,481)	(50,015)	2,466	-5%
Expenses - Internal services	(50,394)	(29,783)	(30,671)	(44,463)	0	(44,463)	(47,085)	(2,622)	6%
Total expenses	(362,912)	(374,337)	(503,539)	(573,182)	(7,725)	(580,907)	(657,570)	(76,663)	13%
Net impact to general fund	(287,447)	(268,273)	(395,887)	(440,132)	(7,725)	(447,857)	(504,085)	(56,228)	13%
FTE positions	4.02	3.82		4.82			6.19		

2015 Goals:

List to be verified through annual work plan development process.

- Annual Capital Facilities Plan and Wenatchee Comprehensive Plan amendments
- Complete South Wenatchee Sub-Area Plan
- Continue 2017 Comprehensive Plan Update process
- Staff Training
- Prepare for State Transportation Funding options
- Downtown Parking Options
- Construct Chelan Sidewalks project
- Fifth Street secondary access planning
- Perform priority development code amendments as directed by the City Council
- Permit software implementation and records management
- Development assistance and permitting
- Streamline permit center procedures, educational materials, applications, checklists and web tools/information
- Manage Homeless and Housing programs on behalf of Chelan and Douglas counties
- Perform public outreach, education, and neighborhood meetings
- Represent Wenatchee in the Metropolitan Planning Organizations effort to update the Metropolitan Transportation Plan
- Complete former Public Works property redevelopment
- Expand knowledge base of Tax Credit programs for redevelopment
- Improve neighborhood collaboration in the Grandview Historic District
- Further understand and develop strategies with partners to address poverty
- Implement economic development strategies such as visioning, workforce training, business engagement, data analysis, and opportunity forecasting

Significant 2015 Budget Issues:

- Lack of GIS capacity
- Front Desk Staffing/SmartGov Administrator
- Encouraging Economic Development within the City of Wenatchee

Engineering Department

Engineering provides technical services to the public, developers, and other City Departments. Engineering is responsible for right of way management, traffic engineering, infrastructure management, infrastructure comprehensive planning, design and construction of City capital projects; development project review and permitting; provides engineering services to all City departments; responds to various questions and complaints received via help-desk, telephone, e-mail, and walk-ins; obtains grants and low interest loan funding from Federal and State sources; assists in regional transportation planning and coordination; provides GIS mapping/data support for utilities, environmental, planning, cemetery, fire department, police, parks and recreation.

2014 Goals:

- ✓ Sellar West Bridge Coordination with WSDOT
- ✓ Project development including scoping, funding, design, right-of-way acquisition, and construction of all Arterial Street Funded Projects (See Street Fund Budget for project details)
- ✓ Project development including scoping, funding, design, right-of-way acquisition, and construction of all Street Overlay Funded Projects (See Street Overlay Fund Budget for project details)
- ✓ GIS Database Improvements: Processed LIDAR data for utilities and Street Signs, implemented and provided support for stormwater maintenance reporting tool, provided training and general mgmt.
- ✓ School Zone safety improvements/Coordination with PD
 - Interfund Billing
- ✓ Design and construction assistance for city utility projects (See sewer, water, stormwater budgets)
- ✓ Progress on preventative maintenance program for signals and lighting.
- ✓ Utilizing new traffic counters and updating old count data plus collecting data as needs arise.
- ✓ Traffic Incident Damage Repairs to street infrastructure
- ✓ Utility Accounts Customer Service Improvements
- ✓ Identify truck route deficiencies and provide for truck accommodation improvements to SR285
- ✓ Assist WDA with LID formation and design to enhance the Downtown Revitalization Project
 - New utility latecomer process
- ✓ Upgrade school beacon controllers to wireless technology
- ✓ Russell/Okanogan signal improvements. (Upgrades while making repairs caused by accident).
 - Signing Retroreflectivity Compliance
- ✓ Street Name Signing Upgrades
 - Stray Voltage Testing
 - Bicycle Detection Compliance
 - Pavement Preservation Program Update
 - Traffic signals replacement and upgrading program
 - Data and Records Management
 - Orondo Moorage Completion – Vegetation Management
- Orondo Moorage Completion – Additional Parking
 - Fifth Street Secondary Access
- Secure new TIB grant(s).

General Fund Engineering Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Interfund charges	476,872	546,053	574,247	576,700	0	576,700	510,000	(66,700)	-12%
Revenues - Charge for services	41,830	27,637	41,559	27,000	0	27,000	31,000	4,000	15%
Total revenues	518,702	573,690	615,806	603,700	0	603,700	541,000	(62,700)	-10%
Expenses - Salary/benefits	(598,808)	(608,197)	(684,487)	(724,437)	(1,335)	(725,772)	(772,645)	(46,873)	6%
Expenses - Misc	(21,397)	(23,503)	(26,350)	(34,635)	0	(34,635)	(37,135)	(2,500)	7%
Expenses - Internal services	(48,323)	(49,184)	(49,103)	(60,076)	0	(60,076)	(59,495)	581	-1%
Total expenses	(668,528)	(680,884)	(759,940)	(819,148)	(1,335)	(820,483)	(869,275)	(48,792)	6%
Net impact to general fund	(149,826)	(107,194)	(144,134)	(215,448)	(1,335)	(216,783)	(328,275)	(111,492)	51%
FTE positions	6.25	6.05		6.95		6.85	7.26		

2015 Goals:

- Project development including scoping, funding, design, right-of-way acquisition, and construction of all Arterial Street Funded Projects (See Street Fund Budget for project details)
- Pavement Management System (PMS) development and funding options for 2015 and beyond.
- Project development including scoping, funding, design, right-of-way acquisition, and construction of all Street Overlay Funded Projects (See Street Overlay Fund Budget for project details)
- Continued Transportation Benefit District (TBD) administration and staff support.

- Provide staff support for Chelan-Douglas Transportation Council city board member and Technical Advisory Committee.
- Process Street Parade/Event permit applications
- Process right of way permit applications.
- Process utility applications for sewer/water/storm accounts.
- Provide preliminary comments for streets and utility connections on preapplication meetings.
- Provide review and inspection of public infrastructure for land use permits and utility projects.
- Provide all traffic engineering services for the city.
- Provided all transportation planning services for the city.
- Coordinate with operations for day to day traffic control and lighting needs.
- Provide GIS data services for city utilities, streets, and other city departments.
- CDBG Sidewalk Project Design/Construction
- Scope, Estimate cost, and submit grant applications for all available/applicable programs
- Traffic Control Device Maintenance Programs including signals, signs, striping, lighting, etc..
- Signing Retroreflectivity Compliance
- Adopted Engineering Standards for Water, Sewer, Electric, Street, Storm
- Sidewalks Maintenance Program Development - Condition/Assessment/Code
- Stray voltage testing complete
- Continued school zone safety improvements/Coordination with PD

Significant 2015 Budget Issues:

- Development of sustainable and long-term funding for pavement preservation activities (possibility of bonding in the overlay fund).
- Potential lack of funds in Arterial Streets to match new grant award offers.
- Personnel/Budget modifications for 2014 due to loss of one department director in early 2013 and addition of project engineer within the Engineering Division of Public Works.
- The active capital project list for the Public Works Department has had significant growth over the past 5 years and the workload associated with this growth has severely taxed the ability for staff to deliver timely, high quality projects. If the City intends to continue vigorous pursuit of grant funded projects and continued utility infrastructure upgrades, serious thought will have to be given as to how to adequately staff for that workload.

Recreation Department

The City of Wenatchee provides a Parks and Recreation Department to help realize important outcomes that are vital to make the community a healthy and vibrant place to live, shop, work and play. These outcomes include:

- Strengthening community image and sense of place
- Supporting economic development
- Fostering human development
- Protecting environmental resources
- Increasing self-esteem and self-reliance
- Promoting health and wellness
- Increasing cultural unity
- Providing recreational experiences

2014 Goals and Objectives:

A primary goal of the Department is to offer high quality recreation programs and activities for all ages, interests and abilities within available resources to achieve Departmental outcomes. In 2014, the Department provided programs and events that emphasized fun, safety, physical fitness, community building, skill development and life enrichment. Strategic actions completed in 2014 included:

- ✓ Over 25,000 people attended or participated in programs and events coordinated by the Department.
- ✓ Partnered with, and assisted outside organizations to conduct community programs and events.
- ✓ Solicited over \$20,000 in donations and financial sponsorships for the provision of programs.
- ✓ Successfully applied for \$16,500 in grant funding assistance for recreation programs.
- ✓ Increased awareness of recreation programs and events through a variety of promotional methods.
- ✓ Recreation Supervisor Caryl Andre received the Washington State Special Olympics Volunteer of the Year Award
- ✓ The Special Needs Social Program received the Washington Recreation and Park Association's Cultural Competency Award

A secondary goal of the Department is to provide a high quality park system that offers a wide variety of recreational opportunities for residents and visitors to the community. To this end, the Department manages 18 park areas totaling over 827 acres, the City pool and Community Center. It strives to meet park and natural area needs as defined in the City Comprehensive Plan by maximizing outside resources and through planning activities, development of partnerships and grant applications. Strategic actions completed in 2014 included:

- ✓ Received the Tree City USA award for the 8th year.
- ✓ Contracted the operation of the Wenatchee Community Center to Chelan Douglas Community Action.
- ✓ Finalized the acquisition of 36.82 acres in the Wenatchee Foothills through the use of grant funding.
- ✓ Processed over 300 park facility reservations and 11 special event permit applications.
- ✓ Raised over \$40,000 through grant requests for the Washington Park Picnic Shelter Replacement Project.
- ✓ Received a \$1,050,000 State of Washington grant for the acquisition of 383 acres in the Foothills.
- ✓ Received a \$19,984 Utilities and Transportation Commission Grade Crossing grant for Hale Park fencing.
- ✓ Completed preparation of 18 grant applications for park projects, recreation programs and services.
- ✓ Completed public outreach, coordination and support by participating in over 300 meetings and workshops with over 40 State, regional and local community groups and organizations.
- ✓ Successfully nominated the Chelan Douglas Land Trust for the Washington Recreation and Park Association's Organization Citation of Merit Award.

General Fund Recreation Department

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Hotel/Motel tax	0	19,775	0	0	0	0	0	0	✓ #DIV/0!
Revenues - Charge for services	108,270	87,474	91,737	83,100	0	83,100	82,100	(1,000)	-1%
Total revenues	108,270	107,249	91,737	83,100	0	83,100	82,100	(1,000)	-1%
Expenses - Salary/benefits	(379,025)	(382,545)	(390,681)	(410,739)	(1,470)	(412,209)	(433,470)	(21,261)	5%
Expenses - Misc	(139,306)	(116,661)	(94,475)	(138,943)	0	(138,943)	(128,545)	10,398	-7%
Expenses - Internal services	(35,471)	(29,111)	(36,358)	(29,476)	0	(29,476)	(42,525)	(13,049)	44%
Total expenses	(553,802)	(528,317)	(521,514)	(579,158)	(1,470)	(580,628)	(604,540)	(23,912)	4%
Net impact to general fund	(445,532)	(421,068)	(429,777)	(496,058)	(1,470)	(497,528)	(522,440)	(24,912)	5%
FTE positions	2.5	2.5		2.5			2.6		

2015 Goals and Objectives:

The Parks and Recreation Department has three primary goals for 2015. They are:

- Provide a high quality park system that offers a wide variety of recreational opportunities within the available budget.
- Provide a comprehensive offering of outdoor and indoor recreation programs to meet the leisure needs of all age groups and interests within available resources.
- Continue to seek out and acquire alternative sources of funding to support Departmental services

Parks Maintenance Department

This division of the Public Works Department has the responsibility for the operation and maintenance of the City's park system. This includes 14 City parks and the landscaping at various locations throughout the City. The Parks Maintenance Division plants and maintains over 100 floral baskets in the downtown core and prunes, maintains and decorates over 300 trees along downtown arterials. The parks crew also maintains the landscaping around city buildings, landscaping along roadways and the Convention Center. The Parks Maintenance Division also provides assistance to the Cemetery Maintenance crew when necessary.

In the winter the Parks Maintenance Division is responsible for snow and ice control for the walkways within the parks as well as all of the sidewalks that adjoin City property. The parks crew also clears the snow and ice at all of the City's buildings including City Hall, the new and old Police Stations, the Fire Stations, Public Services Center, the Museum, the Community Center and the Convention Center.

Three emerging areas of responsibility for the Parks Maintenance Division are assessing and mitigating the risk exposure in the City's parks, maintaining the Rotary Park Splash Pad and maintaining storm drainage facilities alongside recently constructed roadways. All of these emerging duties are time consuming and, in the case of risk management, require additional staff training.

The Parks Maintenance Department is responsible for . . .

- Maintain 14 City Parks including
 - Irrigations systems – pumps, valves, filters, controllers, pipes and sprinklers
 - Turf management – mowing, fertilizing, irrigating, weed control, trimming
 - Trees – pruning, irrigating, pest control
 - Playgrounds – Maintenance and repair of community playground equipment
 - Restrooms – maintain and clean restrooms at 6 parks
 - General park maintenance – flowers, shrubs, bushes, garbage cans, walkways, graffiti
- Maintain exterior of City Facilities
 - City Hall, Historic Police Station, Police Station, Museum, Fires Stations, Public Services Center, Community Center, Convention Center
- Snow removal and ice control at all City Facilities and City parking lots including Amtrak terminal
- Maintain Downtown core Streetscape landscaping

2014 Goals:

- ✓ Level and install new sod at Methow park soccer field.
- ✓ Continues maintenance on all City Parks
- ✓ Work with Downtown Streetscape contractor with landscaping and irrigation improvements
- ✓ Worked with WSDOT on updating Locomotive Parks Irrigation and landscaping in conjunction with the bridge improvement project.
- ✓ Paint all restrooms

General Fund Parks Maintenance Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Interfund charges	69,840	94,401	77,049	75,000	0	75,000	75,000	0	0%
Revenues - Charge for services	8,725	4,601	10,399	8,500	0	8,500	10,000	1,500	18%
Total revenues	78,565	99,002	87,448	83,500	0	83,500	85,000	1,500	2%
Expenses - Salary/benefits	(520,935)	(554,232)	(602,817)	(632,826)	(1,700)	(634,526)	(725,420)	(90,894)	14%
Expenses - Misc	(138,052)	(140,367)	(153,279)	(137,752)	0	(137,752)	(138,805)	(1,053)	1%
Expenses - Internal services	(113,135)	(108,598)	(134,676)	(126,141)	0	(126,141)	(114,170)	11,971	-9%
Total expenses	(772,122)	(803,197)	(890,772)	(896,719)	(1,700)	(898,419)	(978,395)	(79,976)	9%
Net impact to general fund	(693,557)	(704,195)	(803,324)	(813,219)	(1,700)	(814,919)	(893,395)	(76,976)	9%
FTE positions	7.05	7.05		7.15			8.00		

2015 Goals:

- Update landscaping at entrances to Lincoln Park
- Investigate options for modifying the Rotary Park splash pad to lessen the maintenance costs of the facility.
- Improve irrigation reliability in all parks.
- Continue to renew Central Business District landscaping and street trees.
- Make further progress in bringing all parks back into both a nutrient and weed control program.

Significant 2015 Budget Issues:

- The single largest budget issue for the past several years has been and continues to be the lack of available labor, especially through the spring and summer months. Seasonal employees are an essential part of any and all municipal parks operations and without those season workers the quality of the parks facilities suffer and the level of service provided to the citizens using those parks is dramatically lowered.

Museum Department

The Museum Department budget supports the city owned facilities and infrastructure that is designated for the purpose of housing the Wenatchee Valley Museum & Cultural Center. In addition, the department budget includes a contract for services for the operation and staffing of the museum. The mission of the WVMCC is to inspire dynamic connections to the unique heritage of the Wenatchee Valley. The Museum Department supports professional museum management in accordance with the standards set by the American Alliance of Museums. This includes care and oversight of the museum collections, coordination of public programs, educational services and exhibitions of history, art, science and culture.

2014 Goals:

Wenatchee Valley Museum & Cultural Center has been extraordinarily successful in delivering quality services to the citizen and visitors to Wenatchee on a significantly reduced budget. Due to the partnership with the non-profit museum association, its board and staff collaborating with city staff, the department was able to accomplish the following services:

- Collection Management: Collecting, housing, interpreting and preserving historical artifacts and archives in accordance with professional museum standards. In the last year, thirty-three collections totaling more than 500 items were donated to the collection including a Knights Templar uniform, scabbard and sword; a piece of glass art by Dale Chihuly; the wedding gown of Catherina Gunn (1922); diaries from 1895 and 1917; an iron ring for hitching horses on First Street in Wenatchee and more.
- Exhibitions: WVMCC produced 11 original gallery exhibitions on history and arts, many of which involved community participation and some that extended beyond the wall of the museum. Examples are exhibitions of Simmer Studio photography; Wenatchee Valley Theater; Regional High School Art Show and the first NCW Juried Art Show. In 2014 a highly acclaimed and visited exhibit of Columbia River Basketry was presented along with an original video of native basket weavers.
- Programs: Fifty programs of various topics were presented through the museum that spanned from community festivals to educational tours. Some were single day events (People of our Past historical theater performance), others ran for multiple weeks (such as Super Summer Adventures). The museum partnered with the city Diversity Committee to offer Multicultural & Martin Luther King Celebration.
- Community Support: The museum is a support organization for thirteen volunteer groups that are largely self-directed in producing wonderful community events. These include Fiestas Mexicanas, Wenatchee Jazz Workshop, Wells House Committee, Wenatchee Riverfront Railway, Photography Association of Wenatchee and more. In addition, community members and organizations support the museum and its volunteers through significant donations, grants, in-kind service and donated products that allow us to creatively deliver the programs and services. In 2013, more than 100 individuals and organizations donated a total of \$387,552 to Wenatchee Valley Museum non-profit museum association. There was also a total of 12,244 volunteer hours of service provided to the museum and almost 28,603 people visited or took part in our programs.
- Commissions and Boards: Museum Department staff provided service to the Wenatchee Arts Commission, Museum Board of Trustees and assisted the Historic Preservation Board. The arts commission established and maintains information for artists and the community about arts events and organizations through WeVarts.org, partners in producing the NCW Juried Art Show, coordinates public art projects and the Community Arts Support program that funds small art projects in the city of Wenatchee. The museum board is charged with fiduciary responsibility of the museum non-profit association and is an advisory body for history and heritage issues for the city. The museum provides research services, tours and programs related to historic preservation for the city. In 2014, the Museum partnered with the Historic Preservation Board and staff to coordinate a Historic Home Tour.

General Fund Museum Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Hotel/Motel tax	48,000	48,000	0	0	0	0	0	0	#DIV/0!
Revenues - Transfers in 101	14,722	11,667	0	0	0	0	0	0	#DIV/0!
Total revenues	62,722	59,667	0	0	0	0	0	0	#DIV/0!
Expenses - Salary/benefits	(406,869)	(338,532)	(133,888)	(127,522)	(205)	(127,727)	0	127,727	-100%
Expenses - Misc	(59,350)	(122,023)	(180,504)	(166,968)	0	(166,968)	(318,180)	(151,212)	91%
Expenses - Internal services	(49,971)	(51,048)	(49,430)	(49,860)	0	(49,860)	(66,680)	(16,820)	34%
Total expenses	(516,190)	(511,603)	(363,822)	(344,350)	(205)	(344,555)	(384,860)	(40,305)	12%
Net impact to general fund	(453,468)	(451,936)	(363,822)	(344,350)	(205)	(344,555)	(384,860)	(40,305)	12%
FTE positions	5.0	5.0		1.52		1.0	0.0		

2015 Budget Issues:

- The City is now contracting with WVMCC to provide all staff support for the Museum.

Fire Department

The Fire & Rescue department's mission is to provide the highest level of fire protection services for the citizens of Wenatchee through the management and coordination of personnel, facilities, apparatus, and equipment resources. Emergency response includes fire suppression and emergency medical services as well as hazardous materials and other technical rescues.

Department fire prevention programs consist of fire and life safety inspections; site, building and fire protection system plan review; fire investigations; and public education such as fire safety, injury prevention, and disaster preparedness.

The Fire & Rescue department is also responsible for the coordination of the city's emergency management planning including compliance with the National Incident Management System (NIMS) and maintenance of the Wenatchee Comprehensive Emergency Management Plan.

2014 Department Goals:

- Replace 1984 Seagraves Engine to improve aging apparatus fleet *
 - Continue joint city and fire district training and development of common operating guidelines ✓
 - Prepare for 2014 Washington State Survey and Rating review ✓
 - Continue to improve fire and code enforcement record sharing ✓
 - Continue follow-up of smoke detector grant and project *
 - Update Emergency Management Hazard Identification Vulnerability Analysis *
 - Revise Emergency Management hazard-specific response plans *
- * Goals not completed due to funding reductions and staffing losses.*

2014 Significant Budget Issues:

- Overtime expenses due to disabilities
- Apparatus funding to replace 1984 engine
- 2014 FTE reduction

General Fund Fire Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Charge for services	51,388	58,415	62,725	56,000	0	56,000	63,000	7,000	13%
Revenues - Personnel reimb	0	0	21,525	0	0	0	0	0	#DIV/0!
Total Revenues	51,388	58,415	84,250	56,000	0	56,000	63,000	7,000	13%
Expenses - Salary/benefits	(3,293,857)	(3,198,177)	(3,040,033)	(3,101,328)	(9,840)	(3,111,168)	(3,175,470)	(64,302)	2%
Expenses - Misc	(98,085)	(96,922)	(107,029)	(114,751)	0	(114,751)	(140,560)	(25,809)	22%
Expenses - Equip replacement	0	0	0	(50,000)	0	(50,000)	0	50,000	-100%
Expenses - Internal services	(176,488)	(214,543)	(252,955)	(287,988)	0	(287,988)	(177,835)	110,153	-38%
Total expenses	(3,568,430)	(3,509,642)	(3,400,017)	(3,554,067)	(9,840)	(3,563,907)	(3,493,865)	70,042	-2%
Net impact to general fund	(3,517,042)	(3,451,227)	(3,315,767)	(3,498,067)	(9,840)	(3,507,907)	(3,430,865)	77,042	-2%
FTE's Firefighters	28.0	28.0		26.0			25.0		
FTE's Admin	4.0	3.8		2.5			3.0		
Total FTE's	32.0	31.8		28.5			28.0		

2015 Department Goals:

- Installation of SCBA Compressor (FEMA AFG Grant)
- Continue exploring recommendations for City/CCFD#1 Annexation of fire services
- Continue joint city and fire district training and development of common operating guidelines
- Replace 1984 Seagraves Engine to improve aging apparatus fleet
- Update Emergency Management Hazard Identification Vulnerability Analysis
- Revise Emergency Management hazard-specific response plans
- Installation of apparatus floor drain upgrade
- Fire prevention smoke detector partnership project with Red Cross

Significant 2015 Budget Issues:

- Funding to fill open Firefighter FTE
- Funding for aging apparatus fleet
- Inadequate program and equipment funding

Police Department

The Police Department's mission is to promote a safe community and quality of life through protection and service. The Police Department is responsible for the administration, coordination, supervision and control of the Cities public safety. The department preforms the following activities in compliance with City, State and Federal, rules, ordinances and laws:

- Patrol
- SWAT
- Off-Duty Overtime Contracts
- Reserves
- Armorer/Firearms
- Emergency Management
- Volunteers in Police Service
- Citizens Academy
- K-9 Program
- Investigations
- Gang Interdiction/Enforcement
- RiverCom Board
- Accreditation
- Target Zero Traffic Safety Task Force/LEL
- Drug Investigations/CRDTF
- Chelan County Regional Jail Liaison
- Budget/Grant Management
- Parking Enforcement
- Evidence Management
- Technical I/S Systems Management
- Crime Statistics/Mapping
- Automated Enforcement System Management

2014 Accomplishments:

- WASPC Re-Accreditation
- Fleet review
- Transition underway to Black and White Patrol Vehicles
- Reduction of monthly Jail Bookings
- Continued Contract with Public Safety Testing for Entry Level Candidates
- Completed Joint Police Reserve Academy with Chelan County Sheriff's Office

- Acquisition/Installation of Electronic License Plate Reader
- Acquired updated MDT Tablets for new Patrol Cars
- Acquired updated In-car Video Cameras
- Hired 2 Lateral Entry Officers for Retirement Replacements
- Implementation of Multi-Agency Special Investigations Unit
- Completion of 2 Officer Involved Shooting Investigations/Justified

General Fund Police Department

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Charge for services	1,270,125	1,074,887	1,038,676	1,002,700	0	1,002,700	968,800	(33,900)	-3%
Revenues - Contributions K-9	0	17,294	250	0	0	0	0	0	#DIV/0!
Revenues - Grants DTF	66,423	44,089	29,751	24,073	0	24,073	27,375	3,302	14%
Total revenues	1,336,548	1,136,270	1,068,677	1,026,773	0	1,026,773	996,175	(30,598)	-3%
Expenses - Salary/benefits	(5,192,150)	(5,255,396)	(5,148,913)	(5,215,791)	(8,830)	(5,224,621)	(5,398,790)	(174,169)	3%
Expenses - Misc	(517,697)	(518,318)	(480,261)	(449,951)	0	(449,951)	(459,495)	(9,544)	2%
Expenses - Internal services	(580,096)	(621,331)	(680,907)	(665,378)	0	(665,378)	(655,880)	9,498	-1%
Total expenses	(6,289,943)	(6,395,045)	(6,310,081)	(6,331,120)	(8,830)	(6,339,950)	(6,514,165)	(174,215)	3%
Net impact to general fund	(4,953,395)	(5,258,775)	(5,241,404)	(5,304,347)	(8,830)	(5,313,177)	(5,517,990)	(204,813)	4%
FTE's Police Officers	37.0	35.00		33.42			34.0		
FTE's Records Dept	9.0	8.00		8.00			8.0		
FTE's Admin	4.0	4.00		4.00			4.0		
Total FTE's	50.0	47.00		45.42			46.0		

2015 Goals:

- Evidence Bar Coding System
- Lexipol
- Seek Alternative Grant Funding
- Spillman Touch
- Guild Arbitration 2014-2016 Contract
- Review Records Division Hours of Service
- Firearms Ammunition
- Sergeants/Corporals Promotional Examination
- Hire 1 Lateral Entry Officer
- Hire 2 Entry Level Officers – replacements
- Continue as Host Agency-Chelan/Douglas/Okanogan County Traffic Safety Task Force
- Partner with Community Development Department-Code Enforcement
- Continue Gang Enforcement/Interdiction
- SRO Funding
- Automated School Zone Speed Enforcement

Significant 2015 Budget Issues:

- Contract Negotiations 2014-2016
- High Exposure Workload and Increased Liability
- Sergeants Promotional Exam
- Fleet Replacements
- Firearms Ammunition
- Staff Reductions Effect on Overtime budget
- Inadequate Training Funding
- Maintaining Volunteer Programs (Reserves – VIPS)
- Gang Suppression and Intervention

Other Public Safety Expenditures

The City has other expenditures relating to public safety that are not under the control of the Police or Fire Departments. These expenditures include:

- The city provides court services by interlocal agreement with Chelan County District Court. The agreement provides for the filing and processing of a number of city infractions and misdemeanors including traffic and non-traffic, photo enforcement, parking, and delinquent tickets. In addition, through a contract with private attorneys, the city provides services for indigent defense. In 2011, 2012 and 2013, 4292, 4054 and 3775 hours were attributed to this contract. As of August 2014, 2620 hours were attributed to this contract.
- The city houses inmates by interlocal agreement with the Chelan County Regional Jail. The city pays a lump sum amount that is based on the city maintaining an average of 55-59 inmates on a daily basis (2014 contract numbers). In addition, the city is liable for excess medical cost beyond what can be provided by the jail. The budget amount is set annually after reviewing the average daily population for the prior year and the costs per inmate of the Regional Jail.

- Rivercom is the multijurisdictional agency that provides 911 service and dispatch for the Chelan-Douglas County area. The cost of Rivercom is set annually and based on the call volume of the prior year (July to June. Call volumes for fiscal year 2013 were 18,037 police and 2,650 fire.). Call volumes in fiscal year 2014 were 18,437 for police and 2,534 for fire. The city represented 37% of the call volume for Rivercom.
- The State Law requires all City's with retired LEOFF 1 and pre LEOFF police and fire officers to pay the retirees full medical costs. The City attempts to reduce our exposure to rising medical costs by paying the retirees medical premiums through the City's insurance provider and paying the Part B Medicare premium for eligible retirees. The City is also required to cover any long term care cost the retirees may incur.
- The Civil Service Commission (CSC) is made up of three, volunteer city residents appointed by the Mayor. They are governed under Chapter 41.08 and 41.12 of the RCW's. They are an independent entity representing the interest of all civil service employees (in our case within the Wenatchee Police Department and Wenatchee Fire Department). They are responsible for hiring a Secretary-Examiner to act as their records keeper, etc. Their main functions are to authorize and oversee entry level and promotion exams insuring fair practices are used. Currently, hiring and promoting within the departments has been on hold. The CSC has had to be involved with position eliminations, lay-offs and temporary appointments. Appointing Authorities cannot put civil service employees into temporary positions without the approval of the CSC. It is imperative that temporary appointments be done fairly and that the positions are permanently filled as soon as possible. The CSC monitors this.

Other Public Safety Expenditures

				2014 Budget			2015 Budget		
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	Change from 2014 \$	%
<u>LEOFF health transfers</u>									
Fire	(351,432)	(291,600)	(318,100)	(341,830)	0	(341,830)	(261,000)	80,830	-24%
Police	(302,370)	(298,200)	(233,900)	(216,330)	0	(216,330)	(240,500)	(24,170)	11%
Net impact to general fund	(653,802)	(589,800)	(552,000)	(558,160)	0	(558,160)	(501,500)	56,660	-10%
<u>Public safety related</u>									
Revenues - Charge for services	115,048	109,895	109,815	115,200	0	115,200	128,110	12,910	11%
Total revenues	115,048	109,895	109,815	115,200	0	115,200	128,110	12,910	11%
Expenses - District court	(671,971)	(635,690)	(671,185)	(708,500)	(5,000)	(713,500)	(718,900)	(5,400)	1%
Expenses - Regional jail	(1,723,695)	(1,716,676)	(1,771,563)	(1,680,000)	150,000	(1,530,000)	(1,630,000)	(100,000)	7%
Expenses - Rivercom									
Fire	(105,540)	(111,760)	(114,457)	(115,535)	0	(115,535)	(114,705)	830	-1%
Police	(771,661)	(780,556)	(801,371)	(786,377)	0	(786,377)	(834,555)	(48,178)	6%
Civil Service	(11,159)	(13,760)	(21,171)	(13,630)	0	(13,630)	(13,720)	(90)	1%
Total expenses	(3,284,026)	(3,258,442)	(3,379,747)	(3,304,042)	145,000	(3,159,042)	(3,311,880)	(152,838)	5%
Net impact to general fund	(3,168,978)	(3,148,547)	(3,269,932)	(3,188,842)	0	(3,043,842)	(3,183,770)	(139,928)	5%

Other Administrative

The Other Administrative group are services or fees for the general operation of the General Fund that are not allocated to a specific department or expenditures to community organizations as directed by City Council. Below is an overview of the line items and the purpose for this funding.

Other Administrative

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Expenses-PFD contingency	(2,164,429)	(1,290,449)	(221,651)	(50,000)	0	(50,000)	0	50,000	-100%
Expenses - Debt service	(1,001,676)	(266,431)	(272,084)	(330,393)	0	(330,393)	(290,765)	39,628	-12%
Expenses - Transfers out 430	(93,400)	(91,000)	(91,000)	(91,000)	0	(91,000)	(91,000)	0	0%
Expenses - Transfers out 114	0	0	0	(20,000)	0	(20,000)	(25,000)	(5,000)	25%
Expenses - Transfers out 111	0	0	0	0	0	0	(201,765)	(201,765)	#DIV/0!
Expenses - City Attorney	(319,295)	(370,470)	(381,538)	(426,500)	(15,000)	(441,500)	(432,900)	8,600	-2%
Expenses - Code clean up	(1,513)	(5,698)	(441)	0	0	0	0	0	#DIV/0!
Expenses - Interfund services									
Building maintenances	(271,080)	(240,204)	(246,504)	(261,800)	0	(261,800)	(331,135)	(69,335)	26%
Prop / liab insurance	(327,300)	(327,300)	(353,700)	(348,400)	20,800	(327,600)	(302,680)	24,920	-8%
Expenses - Community services									
Hospitality House	(590)	(590)	0	0	0	0	0	0	#DIV/0!
Senior Center	(3,100)	(2,500)	(2,500)	(2,500)	0	(2,500)	(2,500)	0	0%
WDA	(19,400)	(17,700)	(27,700)	(17,700)	7,700	(10,000)	(10,000)	0	0%
Row & Paddle Club	(2,240)	(2,240)	(2,240)	(2,240)	0	(2,240)	(2,240)	0	0%
Revenues - Rental income		2,240	2,240	2,240	0	2,240	2,240	0	0%
Expenses - Contracted service									
Animal control	(201,305)	(191,135)	(191,235)	(191,235)	0	(191,235)	(191,235)	0	0%
Library	(22,374)	(13,055)	(7,194)	(12,200)	0	(12,200)	(10,500)	1,700	-14%
Reserve	0	0	0	(98,813)	0	(98,813)	(90,330)	8,483	-9%
Net impact to general fund	(4,427,702)	(2,816,532)	(1,795,547)	(1,850,541)	13,500	(1,837,041)	(1,979,810)	(142,769)	8%

PFD Contingency

This is the line item that represents the expenditures related to solving the Public Facilities District / Town Toyota Center issue. In years 2009 through 2011, this expenditure was utilized for making loans to the Public Facilities District for the interest payment on the PFD Bonds which were issued in 2008 to purchase the Town Toyota Center. The interest only bond anticipation notes were supported with a contingent loan agreement from the City of Wenatchee. In 2011, these bonds went into default, and the City has used this line item to record costs associated with the default and assisting the District to resolve the issue.

The City committed in Ordinance 2012-21, to assist the District up to \$200,000 if the additional sales taxes imposed by the City (1/10th) and the District (2/10ths) are not sufficient to pay the District's annual debt service, at the District's request. The dedicated revenues have been sufficient to meet and exceed the District's debt service requirements; therefore, the City is not anticipating any further expenses relating to the PFD. Fiscal year 2014 revenues were greater than the District's debt service by \$400,000. The City will monitor the revenues and economic conditions and budget future expenses as needed up to the \$200,000 commitment.

Debt Service

This line item represents General Fund commitments to debt service outside of other funding sources. Represented in this line item is the costs associated with the Council Chamber upgrade in 2008 (\$23,020), Cashmere Valley Bank bond that was issued for the construction of the Public Services Center (\$196,235) and repayment of the 2008 interfund loan from the Cemetery Endowment Fund to partially fund the City's match requirements for the construction of the Public Facility District building (\$71,510).

Cemetery Fund (Fund 430)

This line item represents the General Fund support needed to operate the Wenatchee Cemetery. A further description is included in the Cemetery Fund 430.

Community Center (Fund 114)

This line item represents the General Fund support needed to operate the Community Center on South Chelan Ave; further description of this fund is included in the Special Revenue section Community Center Fund 114.

Arterial Street (Fund 109)

This line item is keeping the long term commitment to city streets. This was dedicated to the 1998 LTGO Street Overlay Bonds which were paid off in 2014.

City Attorney

The City contracts with Johnson, Gaukroger, Smith and Marchant PLLC for City Attorney and Prosecution services. The contract is a "lump sum" contract to provide the services required by the city.

Interfund Services

Building maintenance - The Public Works Department's Facility Maintenance Division is responsible for the building maintenance for all of the City's facilities. This includes City Hall, the Police Station, the Historic Police Station (home of Information Services/Facility Maintenance/Drug Task Force), the Public Services Center Complex, the Museum Complex, the Community Center, two Fire Stations, the City Pool and Bathhouse and some of the work at the buildings in City parks. This fund primarily derives its revenue from a general fund transfer in the "other administrative" section of the budget. Other non-general fund departments also contribute to the Facility Maintenance fund for facility maintenance and upkeep.

Property/Liability Insurance – The City is insured for property and liability insurance through Association of Washington Cities Risk Management Services Agency pool. AWC RMSA currently has 96 member municipalities/special purpose districts. Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. AWC RMSA, itself, pays out of its own funds all claims up to \$250,000 for liability and \$50,000 for property, and thereafter purchases excess liability insurance. The revenue for this fund is from a general fund transfer in the "other administrative" section of the budget and other operating funds.

Community Services

The City makes a number of investments in community services from the General Fund. The following are reflected in this line item with a brief explanation of the investment.

- The City has supported the Wenatchee Valley Senior Activity Center on an ongoing basis since the new building was constructed on Maple Street.
- The Wenatchee Downtown Association (WDA) provides several services on behalf of the city encouraging reinvestment in the downtown core. Volunteer efforts are coordinated through the WDA that provide assistance for beautification and streetscape maintenance, downtown marketing, recruitment and reinvestment (growing property tax) and they host a number of events that encourage retail sales in the district.
- The City holds a lease with the Chelan County Public Utility District for land that houses the Wenatchee Row and Paddle Club (WRPC) storage facility on the city's waterfront. The WRPC hosts public paddles and educational events on behalf of the city that encourage boater safety and water safety education. This line item and the Rental Income line item reflect the leasehold excise tax for the property that is paid by the WRPC which the city provides to the Department of Revenue as required by the lease.

Contracted Services

The City has a two contracted services that are not reflected elsewhere in the budget:

- The Animal Control contract runs through December 31, 2015. The contract with the Wenatchee Valley Humane Society ensures the enforcement of the City's animal control code (WMC 5.28). The reduction in contract amount in 2012 and 2013 was facilitated by allowing an increase in animal licensing fees that would offset the contract decrease but still allow the Humane Society to provide the same level of service to the City.
- The city's contract with the North Central Regional Library District provides for the lease and operation of the Wenatchee Public Library on Douglas Street which is co-owned by the City and the District.

Nonrecurring Activity

Nonrecurring activities are one time or uncertain revenues and expenditures that are inconsistent and would distort the city's ability to determine the costs to operate on a daily basis. These activities usually consist of grant activities that will stop with the funding source, donations and irregular transfers to/from other city funds. Due to the uncertainty of these items they usually require a yearend budget amendment.

2014 significant budget amendments are:

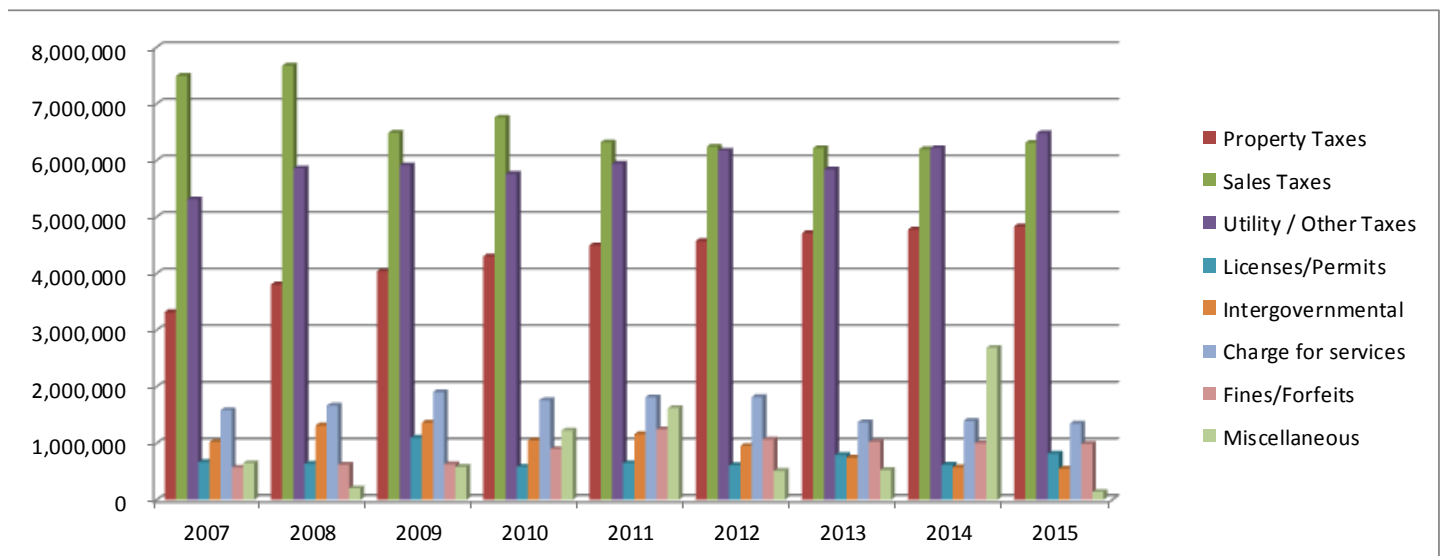
- An increase in estimated grant activity \$200,000 increasing revenues and expenditures
- An estimated \$575,000 in back utility taxes
- A one-time revenue of \$1,000,000 legal settlement and associated legal fees \$499,365
- One-time additional principal payment of \$1.2 million from the two revenues above
- One-time expense of \$160,000 originally budgeted has been removed.

Nonrecurring Activity

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues - Grants/donations	473,706	238,087	180,855	39,809	200,000	239,809	21,450	(218,359)	-91%
Revenues - Sales of assets	1,009,300	100,000	0	0	0	0	0	0	#DIV/0!
Revenues - Transfers in									
From 501 - Fire operations	10,089	130,000	0	0	0	0	12,800	12,800	#DIV/0!
From 106 - PFD support	0	0	0	0	0	0	0	0	#DIV/0!
From 611 - Retiree health	312,200	0	0	0	0	0	0	0	#DIV/0!
From 501 - Excess fund balance	0	181,429	0	0	0	0	0	0	#DIV/0!
From misc funds	867	0	0	6,000	0	6,000	0	(6,000)	-100%
Revenues - CCRJ dissolution	177,251	0	0	0	0	0	0	0	#DIV/0!
Revenues - One time sales taxes	0	0	72,227	72,000	0	72,000	50,000	(22,000)	-31%
Revenues - One time misc	0	0	317,064	788,538	1,575,000	2,363,538	0	#####	-100%
Rainy Day Reserve	0	0	0	0	0	0	0	0	#DIV/0!
Revenues - reimburse fire exp	0	0	0	0	0	0	0	0	#DIV/0!
Expenses - Fire OT	0	(44,691)	0	0	0	0	0	0	#DIV/0!
Expenses - Grants	(187,369)	(201,730)	(103,728)	(39,809)	(200,000)	(239,809)	(21,450)	218,359	-91%
Expenses - Misc	(5,183)	(97,402)	(314,640)	(217,000)	(380,615)	(597,615)	(175,715)	421,900	-71%
Expenses - Transfers out	0	0	(15,047)	(500,717)	(1,200,000)	(1,700,717)	0	1,700,717	-100%
Expenses - Excess comp.	(12,063)	0	0	0	0	0	0	0	#DIV/0!
Expenses - Capital outlay	(257,195)	(15,793)	(21,342)	(6,000)	(31,000)	(37,000)	(11,500)	25,500	-69%
Net impact to general fund	1,521,603	289,900	115,389	142,821	(36,615)	106,206	(124,415)	(230,621)	-217%

General Fund Revenue History

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Amended Budget	Preliminary Budget
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Property Taxes	3,319,196	3,807,852	4,038,881	4,306,911	4,500,406	4,573,206	4,716,316	4,781,159	4,833,410
Sales Taxes	7,496,140	7,674,703	6,487,255	6,757,391	6,320,221	6,242,687	6,220,653	6,200,000	6,313,000
Utility / Other Taxes	5,312,245	5,860,096	5,915,524	5,761,233	5,942,351	6,171,268	5,841,902	6,219,144	6,481,100
Licenses/Permits	671,162	637,805	1,098,998	586,795	651,162	613,870	796,332	620,900	818,400
Intergovernmental	1,025,904	1,317,559	1,366,519	1,053,962	1,160,410	953,443	748,527	577,173	551,175
Charge for services	1,586,608	1,668,120	1,904,221	1,764,010	1,814,681	1,819,616	1,370,936	1,397,890	1,346,905
Fines/Forfeits	572,081	620,686	628,316	901,092	1,245,482	1,066,089	1,025,164	1,002,000	991,000
Miscellaneous	650,896	205,199	585,420	1,226,395	1,625,199	512,764	530,837	2,688,187	142,000
	20,634,232	21,792,020	22,025,134	22,357,789	23,259,912	21,952,943	21,250,667	23,486,453	21,476,990



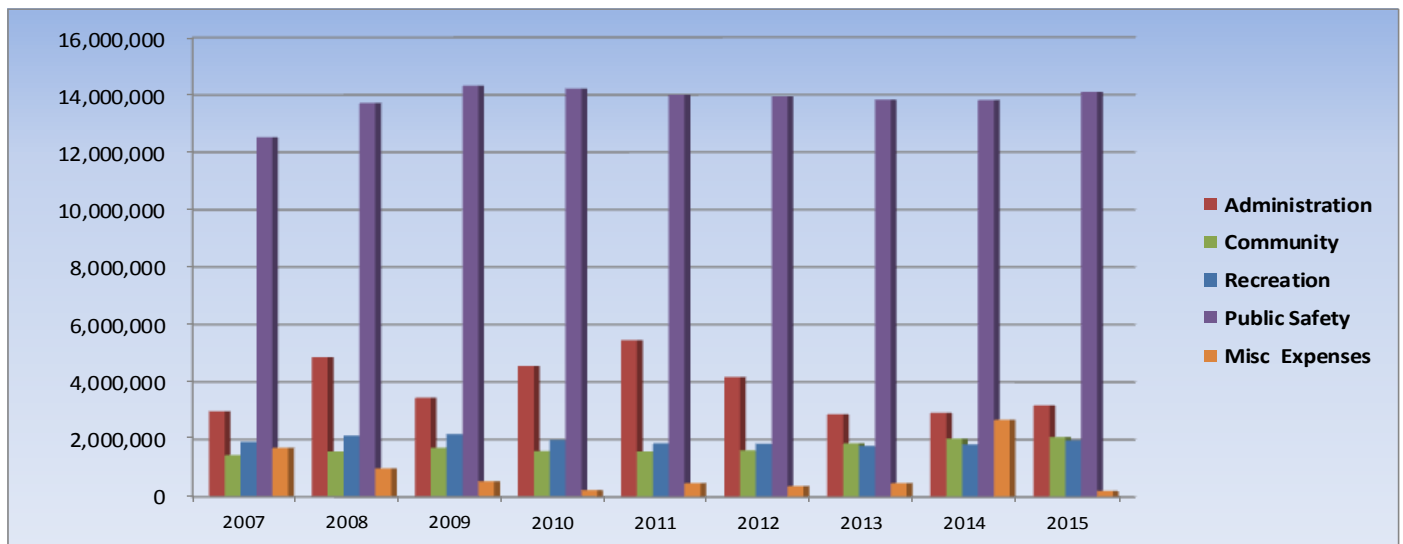
General Fund Expenditure History

General Fund Expenditure History by Department

	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Prelim Amended Budget 2014	Preliminary Budget 2015
City Council / Admin	793,041	850,144	827,430	614,863	653,971	614,157	658,970	696,306	805,875
Finance	939,516	973,961	994,776	1,061,479	1,026,514	982,314	653,384	721,184	705,710
Code Enforcement	333,887	350,800	543,229	542,270	554,329	569,325	606,605	640,363	567,335
Planning	592,517	714,748	601,316	394,067	362,915	374,337	503,539	580,907	657,570
Engineering	527,388	512,695	565,606	661,424	668,530	680,884	759,940	820,483	869,275
Recreation / Pool	576,407	686,466	702,082	599,261	553,805	528,317	521,514	580,628	604,540
Parks Maintenance	791,522	831,331	807,238	805,736	772,122	803,197	890,772	898,419	978,395
Museum	506,670	561,411	625,810	518,133	516,191	511,603	363,822	344,555	384,860
Fire	3,648,573	3,717,232	3,785,867	3,748,658	3,568,434	3,509,642	3,400,017	3,563,907	3,493,865
Police	5,509,106	6,183,822	6,306,121	6,341,943	6,289,950	6,395,045	6,310,081	6,339,950	6,514,165
LEOFF Health	700,000	715,000	631,500	631,498	653,802	589,800	552,000	558,160	501,500
Other Public Safety	2,486,861	2,900,790	3,382,161	3,280,683	3,272,867	3,244,682	3,358,576	3,145,412	3,388,490
Civil Service	15,447	17,096	13,750	14,707	11,159	13,760	21,171	13,630	13,720
Building Maintenance	257,052	280,668	281,760	290,904	271,080	240,204	246,504	261,800	331,135
Insurance Prop / Liab	398,700	398,700	398,700	317,100	327,300	327,300	353,700	327,600	302,680
Animal Control	166,749	183,424	199,906	199,906	201,305	191,135	191,235	191,235	191,235
Library	45,243	54,854	56,777	63,044	22,374	13,055	7,194	12,200	10,500
Community Services	41,718	43,997	47,143	45,675	25,330	28,728	32,440	14,740	14,740
Debt Service	250,245	273,766	329,342	310,040	1,001,676	266,431	272,084	330,393	290,765
Support of other funds	100,791	52,204	53,500	20,000	93,400	91,000	91,000	111,000	317,765
City Attorney	239,388	253,644	339,694	351,189	319,296	370,470	381,538	441,500	432,900
PFD Support	0	1,780,954	230,000	1,591,681	1,763,306	1,290,449	221,651	50,000	-
Reserve	0	0	0	0	0	-	-	-	-
Misc Non-recurring	1,672,176	946,229	494,220	197,493	463,323	359,616	455,198	2,673,954	208,665
	20,592,997	23,283,936	22,217,928	22,601,754	23,392,979	21,995,451	20,852,935	23,318,326	21,585,685

General Fund Expenditures by Type

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Administration	2,978,733	4,864,041	3,455,202	4,557,256	5,456,543	4,182,325	2,878,831	2,939,783	3,186,830
Community	1,453,792	1,578,243	1,710,151	1,597,761	1,585,774	1,624,546	1,870,084	2,041,753	2,094,180
Recreation	1,919,842	2,134,062	2,191,907	1,986,174	1,864,492	1,856,172	1,783,302	1,835,802	1,978,295
Public Safety	12,526,736	13,717,364	14,319,305	14,217,395	13,997,517	13,944,064	13,833,080	13,812,294	14,102,975
Misc Expenses	1,713,894	990,226	541,363	243,168	488,653	388,344	487,638	2,688,694	223,405
	20,592,997	23,283,936	22,217,928	22,601,754	23,392,979	21,995,451	20,852,935	23,318,326	21,585,685



Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources to finance specific activities as required by law or administrative regulations. These revenues generally can't be used to fund general operations of the City.

#101 – Public Art Fund

Ordinance 2004-15 mandate that 1% of construction costs for projects in excess of \$75,000, net of any grant or other outside funding source, be set aside for “public art projects”. The City manages this program with the Arts Commission. Expenditures for this program are supplies and needs to support the Commission and payments to the Artists.

#101 - PUBLIC ART									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	\$	%
Revenues	25,151	20,447	16,422	15,000	0	15,000	15,000	0	0.00%
Expenditures									
Operating	(17,159)	(15,330)	(24,714)	(21,475)	0	(21,475)	(8,000)	13,475	(62.75%)
Transfers out - #001	(14,722)	(11,667)	0	0	0	0	0	0	#DIV/0!
Capital	0	0	0	0	0	0	0	0	#DIV/0!
Total Expenditures	(31,881)	(26,997)	(24,714)	(21,475)	0	(21,475)	(8,000)	13,475	(62.75%)
Revenues over (under) expenditures	(6,730)	(6,550)	(8,292)	(6,475)		(6,475)	7,000		
Fund Balance January 1,	82,257	75,527	68,977	60,685		60,685	54,210		
Fund Balance December 31	75,527	68,977	60,685	54,210		54,210	61,210		

#102 - .2% Sales Tax Fund

This fund was created in 2012 to account for the .2% sales tax that went into effect July 2012. This revenue source is to be used exclusively for Public Facility District related expenses and was put into place to help the Public Facilities District refinance their 2008 Notes that matured December 1, 2011.

#102 - .2% Sales Tax									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	\$	%
Revenues	0	733,187	1,444,236	1,520,132	0	1,520,132	1,520,135	3	0.00%
PFD Debt Service	0	(733,187)	(1,444,236)	(1,520,132)	0	(1,520,132)	(1,520,135)	(3)	0.00%
Revenues over (under) expenditures	0	0	0	0		0	0		
Fund Balance January 1,	0	0	0	0		0	0		
Fund Balance December 31	0	0	0	0		0	0		

#103 – Paths and Trails

The Paths and Trails Fund source of revenue is .42% of the total money received from the Motor Vehicle Fuel Tax (RCW 46.68.090). This money is restricted for construction and/or improvement of paths and trails within the City. Because the cost of such projects is typically much larger than the funds generated in a single year we leave the fund balance untouched until an adequate balance is available. The 2015 budget does not include appropriations from this fund.

#103 - PATHS AND TRAILS									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	\$	%
Revenues	2,839	2,773	2,829	2,850	0	2,850	2,735	(115)	(4.04%)
Capital Expenditures	(722)	(4,592)	(1,500)	0	0	0	0	0	#DIV/0!
Revenues over (under) expenditures	2,117	(1,819)	1,329	2,850		2,850	2,735		
Fund Balance January 1,	542	2,659	840	2,169		2,169	5,019		
Fund Balance December 31	2,659	840	2,169	5,019		5,019	7,754		

#104 - Tourism Promotion Area

In September 2006, the City established a Tourism Promotion Area (TPA) for the City of Wenatchee, at the request of the Wenatchee Hotel-Motel Association, as enabled by RCW 35.101. The TPA was originally set up with a three year trial period. The TPA was reauthorized in July 2010. By establishing a tourism promotion area in the city, all hotels larger than 40 rooms are assessed \$1 per room night which is collected by the Department of Revenue and returned to the City to be utilized for marketing purposes as specified in the RCW and the city formation ordinance. The City created an advisory board to oversee the budget for the TPA. In 2013, the management of the fund came back to the City after the management agreement with the Wenatchee Valley Visitor's Bureau was terminated. The TPA board approves the expenditures and the City pays the expenses. The budget and accomplishments are reviewed annual by the City Council in December. This fund provides a real time understanding of the number of hotel rooms used on an annual basis.

#104 - TOURISM PROMOTION AREA									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues	184,140	189,240	220,048	185,000	15,000	200,000	200,000	0	0.00%
Expenditures	(184,140)	(146,079)	(85,610)	(185,000)	0	(185,000)	(200,000)	(15,000)	8.11%
Revenues over (under) expenditures	0	43,161	134,438	0		15,000	0		
Fund Balance January 1,	0	0	43,161	177,599		177,599	192,599		
Fund Balance December 31	0	43,161	177,599	177,599		192,599	192,599		

Hotel/Motel Tax Funds

The City of Wenatchee is authorized to collect a 6% excise tax on lodging (hotel-motel tax). This authorization was done over a period of years, with the original 2% authorized by Ordinance 2160 in 1974, and additional 2% authorized by Ordinance 3137 in 1995 and the final 2% by Ordinance 97-12 in 1997. These tax funds are utilized by Fund 105 to partially pay for Wenatchee Convention Center debt service, Fund 106 for Wenatchee Convention Center operations and debt service, and Fund 107 for City of Wenatchee tourism marketing.

#105 – Hotel/Motel Tax – Capital

The revenues in this fund are reserved to partially pay the debt service on the #106 - Convention Center Fund.

#105 - HOTEL/MOTEL TAX - CAPITAL									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues	195,581	194,625	221,706	191,775	50,000	241,775	230,000	(11,775)	(4.87%)
Expenditures Trans out 106	(196,700)	(204,252)	(207,101)	(191,775)	(50,000)	(241,775)	(230,000)	11,775	(4.87%)
Revenues over (under) expenditures	(1,119)	(9,627)	14,605	0		0	0		
Fund Balance January 1,	35,958	34,839	25,212	39,817		39,817	39,817		
Fund Balance December 31	34,839	25,212	39,817	39,817		39,817	39,817		

#107 – Hotel/Motel Tourism Fund

Until the city's 2011 budget, 100% of the funds collected in fund 107 were provided by contract to the Wenatchee Valley Visitor's Bureau for the city's tourism marketing effort. In 2011, the city reconstituted a Lodging Tax Advisory Committee (LTAC) for the oversight of the lodging tax funds and recommendations for uses to the City Council. A transition occurred in city budgets in 2011 and 2012 where the city began holding back a portion of the lodging tax funds for city eligible expenses. In 2012 the LTAC designed an application process for the use of hotel motel taxes and recommended that the Wenatchee Chamber of Commerce be retained to carry out a regional tourism marketing effort. The city also started a reserve in this fund to ensure cash flow during economic downturns as suffered in 2009. The role of the Lodging Tax Advisory Committee (LTAC) was strengthened during the 2013 legislative session and requires uses of hotel motel tax be awarded through an application process carried out by the LTAC and funds provided to those on a list provided to the Wenatchee City Council. The City Council may choose to not fund the entire list, however, what is funded has to be on the list that has gone through the application process with the LTAC.

#107 - HOTEL/MOTEL TAX - TOURISM

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	\$	%
Revenues	342,512	321,492	457,672	383,658	70,000	453,658	425,000	(28,658)	(6.32%)
Operations	(344,291)	(248,899)	(255,351)	(516,670)	0	(516,670)	(425,000)	91,670	(17.74%)
Revenues over (under) expenditures	(1,779)	72,593	202,321	(133,012)		(63,012)	0		
Fund Balance January 1,	16,172	14,393	86,986	289,307		289,307	226,295		
Fund Balance December 31	14,393	86,986	289,307	156,295		226,295	226,295		

#106 – Convention Center Fund

The Wenatchee Convention Center (WCC) is a City owned facility operated under a management contract with Coast Hotels & Resorts. The contract is managed by the Public Works Department, the Mayor's Office and the Finance Department collaboratively. The Convention Center is a 50,000+ square foot regional meeting facility which can host any event from a small business meeting to a statewide convention for over 500. The Convention Center is the home of the Washington State Horticultural Convention in odd numbered years (Yakima hosts in even numbered years) and frequently hosts state wide labor and government conventions as well as weddings and entertainment events.

The Convention Center was originally constructed in 1979-80 and was operated by the Westerberg Hotel. Through a series of sales, the Coast Hotels took over management in the 1980's and managed the facility under the original contract until the end of 2011. Due to changes in IRS regulations, the contract was restructured in 2012 to a management contract which pays the contractor a management fee instead of the City being paid a commission based on gross sales. Staff members at both the City and Convention Center are still working through the new arrangement and new operational model.

The City is responsible for maintaining the physical plant including the HVAC, electrical, plumbing, lighting, and A/V systems. The Convention Center Maintenance Fund (Fund 106) is used to fund all of the City's activities in the building.

The Public Works Department Facility Maintenance Staff is responsible for . . .

- Maintaining and repairing all parts of the physical plant including:
 - HVAC, Electrical, Mechanical, Fire, Lighting and Audio/Video systems
 - Kitchen equipment including convection ovens, steam tables, stoves, grills, steamers, mixers, walk-in freezers and refrigerators and warming ovens
 - Convention furnishings including 2000 chairs over 400 tables, stages, carts and podiums
 - Interior finishes including paint, tile, wainscoting, floor coverings, restroom fixtures and acoustical ceilings

The Finance Department Staff is responsible for . . .

- Reviewing all financial documents created and/or utilized by the contractor including:
 - Monthly bank statements, balance sheets, income statements, cash flow reports, accounts payable, accounts receivable and invoices
- Determining the financial state of the operation and providing cash infusions to the operating accounts when necessary

The Mayor's Office and Public Works Department is responsible for . . .

- Oversight of the management contract
- Meeting quarterly with corporate management of the contractor to provide feedback on the state of operations, financial status and review prospective business bookings
- Provide approvals of operational decisions as detailed in new contract

2014 Goals:

- ✓ Continue door replacement of interior metal doors
- ✓ Repair roofing areas which are exhibiting deterioration
- ✓ Major repair of several air wall room partitions

#106 - CONVENTION CENTER

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues									
Hotel/Motel Tax	390,749	389,199	443,320	383,658	70,000	453,658	475,000	21,342	4.70%
Chelan County	65,000	65,000	65,000	65,000	0	65,000	65,000	0	0.00%
Conv. Sales/Commission	0	1,212,857	1,352,010	1,575,100	0	1,575,100	68,000	(1,507,100)	(95.68%)
Miscellaneous	171,778	7,257	202	1,000	0	1,000	300	(700)	(70.00%)
Transfers In - #105	196,700	204,845	207,101	191,775	50,000	241,775	230,000	(11,775)	(4.87%)
Total Revenues	824,227	1,879,158	2,067,633	2,216,533	120,000	2,336,533	838,300	(1,498,233)	(64.12%)
Expenditures									
Management Co Operations	0	(1,384,787)	(1,399,788)	(1,486,620)	(415)	(1,487,035)	0	1,487,035	(100.00%)
City Operations - salary/bene	(175,718)	(180,909)	(185,133)	(189,666)		(189,666)	(119,475)	70,191	(37.01%)
City Operations - misc	(242,872)	(93,677)	(94,527)	(164,918)		(164,918)	(142,515)	22,403	(13.58%)
Capital	0	(31,691)	(42,181)	(75,000)		(75,000)	(75,000)	0	0.00%
Transfers out	(307,590)	(309,558)	(306,110)	(307,463)	0	(307,463)	(396,255)	(88,792)	28.88%
Total Expenditures	(726,180)	(2,000,622)	(2,027,739)	(2,223,667)	(415)	(2,224,082)	(733,245)	1,490,837	(67.03%)
Revenues over (under) expenditures	98,047	(121,464)	39,894	(7,134)		112,451	105,055		
Fund Balance January 1,	380,142	478,189	356,725	396,619		396,619	509,070		
Fund Balance December 31	478,189	356,725	396,619	389,485		509,070	614,125		
FTE's	2.1	2.1	2.1	2.1			1.27		

2015 WCC Maintenance Goals:

- Replacement of ceiling clouds in the Grand Apple Ballroom and Exhibit Hall, replacing both the ceiling system and the dimmable lighting system and controls
- Upgrade HVAC scheduling and controls
- Various HVAC condensing units, duct heaters, VAV boxes and secondary burners throughout the building.
- Replace carpet and wall coverings in the Exhibit Hall, Exhibit Lobby and on the entire main floor.

Significant 2015 Budget Issues:

- Although 2012 turned out to be the worst year for convention bookings in recent history, 2013 showed some improvement. However the Center is still projected to just break even on its operations and still rely heavily on hotel/motel tax funding for maintenance and upkeep of the facility.
- The WCC is a 32 year old facility and is in need of continual updating and major repair. Some of the kitchen equipment and most of the mechanical/lighting systems are from the original construction and are becoming high maintenance items. In order to compete in the highly competitive convention market, continual investment must be made in the facility. Unfortunately, the funds for these upgrades are not available at this time.
- The three pronged approach to renew the facility which is nearing fruition is to
 - Refinance the existing tax exempt debt with taxable debt which would allow;
 - The execution of a new agreement with the Coast Hotels to manage the facility under a concession agreement (rather than the existing management agreement) which would provide funding for;
 - Constructing energy efficiency, architectural, mechanical and lighting improvements to much of the facility.
 The intent is for the deal to be reached before the end of the year in order to start the improvements during the slow period at the WCC in the winter.

#108 – Street Maintenance Fund

The Street Maintenance Division of the Public Works Department has the responsibility for the maintenance of the City's streets and alleys and publically maintained sidewalks. The Street Division maintains over 250 lane miles of streets utilizing nearly 40 pieces of street equipment. The Street Division is responsible for snow and ice control on all City streets along with those sections of the state highways that run through the City. The street crews also sweep and clean all city streets and maintain pavement markings and signage. In addition, the Street Division maintains those portions of the sidewalks that are the responsibility of the City.

Another group within the Street Maintenance Division is the Signals and Lighting group which maintains the City's 50 traffic signal systems and the hundreds of street lights and electrical systems in the City.

The Street Maintenance Division is responsible for:

- Pavement Maintenance including:
 - Crack filling/sealing
 - Pothole patching
 - Dig-out/subgrade failure repair
 - Skin Patching of rutted or failed pavement
- Roadside maintenance including vegetation control
- Street cleaning primarily accomplished with street sweepers but including flushing
- Maintain and repair street lighting systems including services, lights and pole

The Street Maintenance Division is responsible for (continued):

- Snow and Ice Control of all City streets including
 - Pre-storm application of anti-icing materials
 - Snow plowing during and after storms
 - Control of compact snow and ice through the use of traction sand and chemical ice melting applications
 - Picking up accumulated snow berms and disposing of snow
- Traffic control maintenance including
 - Pavement markings (striping, crosswalks, stop bars, arrows)
 - Installation and maintenance of all traffic signs both regulatory and informational
 - Maintain and repair signal systems including programming change

2014 Goals:

- ✓ Replace damaged light poles at various locations throughout the City
- ✓ Continue pavement preservation program through crack sealing, patching, and skin patching
- ✓ Replace concrete roadway panels on King and Alaska Streets
- ✓ Replace defective Alley approaches in various locations
- ✓ Continue to investigate transient voltage potential at light/signal poles
- ✓ Improve alley maintenance program
- ✓ Continue to keep a priority on safety through snow and ice control, pavement markings and sign/signal maintenance.
- ✓ Continuing support of the sidewalk assistance program
- ✓ Update signing throughout the City

#108 - STREETS

				2014 Budget			2015 Budget			
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%	
Revenues										
Property Taxes	1,104,958	1,096,171	1,105,310	1,100,000	0	1,100,000	1,208,350	108,350	9.85%	
MVFT	376,788	372,369	380,392	374,900	0	374,900	375,500	600	0.16%	
Charge for services	278,032	270,939	320,170	227,000	0	227,000	273,500	46,500	20.48%	
Miscellaneous	24,691	70,831	58,836	6,300	0	6,300	6,300	0	0.00%	
Transfers In	0	0		285,700	0	285,700	279,740	(5,960)	(2.09%)	
Total Revenues	1,784,469	1,810,310	1,864,708	1,993,900	0	1,993,900	2,143,390	149,490	7.50%	
Expenditures										
Salary/benefits	(883,354)	(879,139)	(886,181)	(1,026,355)	(2,390)	(1,028,745)	(1,125,625)	(96,880)	9.42%	
Miscellaneous	(912,194)	(882,879)	(969,349)	(953,808)	0	(953,808)	(1,018,230)	(64,422)	6.75%	
Capital	(7,847)	0	(46,700)	(23,150)	(18,850)	(42,000)	(50,000)	(8,000)	19.05%	
Total Expenditures	(1,803,395)	(1,762,018)	(1,902,230)	(2,003,313)	(21,240)	(2,024,553)	(2,193,855)	(169,302)	8.36%	
Revenues over (under) expenditures	(18,926)	48,292	(37,522)	(9,413)		(30,653)	(50,465)			
Fund Balance January 1,	462,592	443,666	491,958	454,436		454,436	423,783			
Fund Balance December 31	443,666	491,958	454,436	445,023		423,783	373,318			
FTE's	11.41	11.41	11.41	11.98			12.55			

2015 Goals:

- Continue pavement preservation program through crack sealing, patching, and skin patching
- Replace defective Alley approaches and other curb, gutter, and sidewalk adjacent to City property.
- Continue to investigate transient voltage potential at light/signal poles
- Continue to keep a priority on safety through snow and ice control, pavement markings and sign/signal maintenance

- Continue the sign retro reflectivity testing program and budget for future sign replacement.

Significant 2015 Budget Issues:

- The number of street maintenance is still below the staffing levels before the economic downturn. Although the street staff has increased by one employee since last year, it has done so through additional deficit spending. Additional revenue of some kind will need to be secured in order to adequately maintain the transportation infrastructure.
- The budget for snow removal is below what is needed to provide for safe roadways during snow events. Due to recent light snow years and the Cities budget issues this budget has been shaved down and we are eventually going to experience a winter where we are going to need additional funding to meet expected levels of service,

#109 - Arterial Streets

The Arterial Streets Fund was developed in 1972 for the purpose of constructing key capital street projects. This special revenue fund historically received 43% of the motor vehicle fuel tax (gas tax) allocated to the City by the State of Washington. In the 2014 budget, the City elected to place all of the motor vehicle fuel tax into the street maintenance fund (108). To backfill the funding, the City transferred in revenue generated from the 2nd ¼% of Real Estate Excise Tax (REET).

Typically, the revenue from this fund is used to match State and Federal grants. As an example, between 2001 and 2010, \$3.8 Million of local revenues leveraged \$17.9 Million in state and federal grants. Examples of recent capital construction projects completed include Fifth Street from Miller to Western, South Wenatchee Avenue From Marr St. to the city limits, Orondo/Worthen Streets, Pine Street, Downtown Revitalization, and North Wenatchee Avenue from Miller to Fifth, and others. Examples of current project under development with a match allocation from the arterial street fund include the Western Avenue Safety Improvements, McKittrick Signal on North Wenatchee Avenue, Mission/Chelan/Miller Intersection Improvements, and Okanogan/Red Apple Road Safe Routes to School (SRTS) project.

The Engineering Department carries out the design and construction of Arterial Street Fund projects. The primary grant sources for City street projects are the State Transportation Improvement Board and the Federal Surface Transportation Program. Other grant programs that often do not require a match that are administered through this fund include the Safe Routes to School program and the Highway Safety Improvement Programs which have funded projects including the turn lane and signal improvements at Orondo and Chelan Street and the Lincoln School Improvements on Methow Street. It is expected match funding from arterial streets will be insufficient should the city continue to be successful with securing project similar to historic levels.

2014 Goals:

- | | |
|---|--|
| ✓ North Wenatchee Avenue Preservation project construction | ✓ Initiated Design and right-of-way acquisition of the Western Avenue Safety Improvements project |
| ✓ Wenatchee Downtown Revitalization project construction | ✓ Initiated Construction of Regional Decant facility |
| ✓ Began design and construction activities for \$1.2M in Safety Funding for SR 285 and citywide project. Improvements constructed in 2014 include street name and school zone signing replacement, durable striping on Mission St. and Miller St., countdown pedestrian heads on 14 signals along SR285 between Miller and Ferry. | ✓ Continued Design of the SR285 Corridor Safety Improvements project: signal timing, downtown analysis, South Wenatchee Ave. options |
| ✓ Combined Miller/Mission project with Miller/Chelan project and started design. | ✓ Installed school zone beacon controller upgrades |
| ✓ Performed traffic analysis and developed improvement options for SR285 coordinated signals and the downtown business district. | ✓ McKittrick Signal – Started right-of-way acquisition process. |
| ✓ Initiated Design and right-of-way acquisition on the Red Apple/ Okanogan SRTS project. | ✓ SR285 striping improvements for truck accommodation |
| ○ Construct Intersection Improvements at Miller/Chelan and Miller/Mission | ✓ Western Avenue Corridor Safety Improvements design and right-of-way start |
| | ✓ School zone traffic control devices upgrades: purchase and install by staff |
| | ✓ Downtown Revitalization LID design |
| | ✓ Mission/Miller Intersection design start |
| | ✓ 2014 CDBG sidewalks scope/design |

#109 - ARTERIAL STREETS

				2014 Budget			2015 Budget		
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues									
MVFT	287,081	283,714	289,827	285,700	0	285,700	279,740	(5,960)	(2.09%)
Grant revenues	482,996	2,302,190	2,209,644	2,518,192	(590,690)	1,927,502	3,281,115	1,353,613	70.23%
Interest	1,103	839	117	0	0	0	0	0	#DIV/0!
Private contributions	11,000	13,746	10,013	0	199,000	199,000	0	(199,000)	(100.00%)
Loan Proceeds	0	84,730	0	0	0	0	0	0	#DIV/0!
Transfers In	26,009	0	0	300,000	0	300,000	481,765	181,765	60.59%
Total Revenue	808,189	2,685,219	2,509,601	3,103,892	(391,690)	2,712,202	4,042,620	1,330,418	49.05%
Expenditures									
Capital construction	(895,490)	(2,810,823)	(2,569,730)	(3,080,997)	702,380	(2,378,617)	(3,843,900)	(1,465,283)	61.60%
Transfers Out	0	0	0	(285,700)	0	(285,700)	(279,740)	5,960	(2.09%)
Total Expenditures	(895,490)	(2,810,823)	(2,569,730)	(3,366,697)		(2,664,317)	(4,123,640)	(1,459,323)	54.77%
Revenues over (under) expenditures	(87,301)	(125,604)	(60,129)	(262,805)		47,885	(81,020)		
Fund Balance January 1,	658,800	571,499	445,895	385,766		385,766	433,651		
Fund Balance December 31	571,499	445,895	385,766	122,961		433,651	352,631		

Significant 2015 Goals:

- Complete design and construct remaining HSIP SR285 safety elements including downtown bulbouts and pedestrian signal on Mission near Bridge St.
- Determine and apply appropriate improvements on SR285 and downtown signal systems.
- Complete design and construct Okanogan/Red Apple SRTS project.
- Complete design and construct Intersection Improvements at Miller/Chelan and Miller/Mission
- Complete design and construct Western Avenue Safety Improvements project
- Complete design and construct 2014 CDBG sidewalks project
- Complete design, right-of-way acquisition and construct the McKittrick Signal project
- Secure additional grant funding for projects included in the 6-year Transportation Improvement Program and appropriate emerging projects.

Significant 2015 Budget Issues:

- Arterial Street Fund Balance forecast indicates insufficient funds to match grant-funded projects at historic rates. While the need for continued investment in reconstructing and improving the transportation infrastructure has continued to build, the available funding sources have continued to shrink, or have additional demands placed on the already limited funding sources. A long-term funding strategy for the Arterial Street Fund is a high priority for the Engineering Division of Public Works Department over the next several years.

Please see the Construction Projects section for detailed funding sources and expense categories for the capital outlay budgeted.

#111 – Street Overlay Fund

The Street Overlay Fund was developed to dedicate funding to street preservation. In the past, these funds have been used to repave or overlay streets with hot mix asphalt. More recently, staff has explored alternative pavement preservation methods to extend the life of payment at a lower cost. Revenues for this fund are the 2nd ¼ percent of Real Estate Excise Tax (REET). As of 2012, the Wenatchee Transportation Benefit District revenues have been dedicated to funding preservation of arterial streets and are included in this fund. The City issued \$4,085,000 in LTGO bonds for paving in 1998. These bonds will be paid off in 2014, at which time another issue is expected in order to try and catch up on pavement preservation efforts. In order to determine long-term cost and appropriate levels of service for pavement condition, staff has recommended securing professional services in the area of development of a formal pavement preservation program in 2014. This effort will culminate in 2015 and will technically evaluate pavement preservation technology and define funding level/LOS options to further preserve city street infrastructure and recommend necessary funding levels.

201 Goals:

- ✓ Crack Seal Arterial Streets
- ✓ Pavement preservation project on Wenatchee Avenue from Kittitas to Second Streets.
- ✓ Begin professional analysis and development of a formal Pavement Preservation Program
- ✓ Identify appropriate preservation project with available funds for the 2015 construction season

#111 - STREET OVERLAY

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		Change from 2014 \$ %	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014			
Revenues										
2nd 1/4% R.E.E.T.	178,285	311,985	303,374	300,000	0	300,000	307,500	7,500	2.50%	
Road Preservation (Car Tab)	0	0	442,560	500,000	0	500,000	450,500	(49,500)	(9.90%)	
Transfers In #001	0	0	0	0	0	0	0	0	#DIV/0!	
Miscellaneous	927	454	436	1,000	0	1,000	1,000	0	0.00%	
Total Revenue	179,212	312,439	746,370	801,000	0	801,000	759,000	(42,000)	(5.24%)	
Expenditures										
Capital	(259,680)	(47,391)	(547,609)	(702,500)	0	(702,500)	(280,000)	422,500	(60.14%)	
Transfer out - #109	0	0	0	(300,000)	0	(300,000)	(285,000)	15,000	(5.00%)	
Transfer out - #301	(243,162)	(89,600)	(62,364)	(100,000)	0	(100,000)	0	100,000	(100.00%)	
Total Expenditures	(502,842)	(136,991)	(609,973)	(1,102,500)	0	(1,102,500)	(565,000)	537,500	(48.75%)	
Revenues over (under) expenditures	(323,630)	175,448	136,397	(301,500)		(301,500)	194,000			
Fund Balance January 1,	507,410	183,780	359,228	495,625		495,625	194,125			
Fund Balance December 31	183,780	359,228	495,625	194,125		194,125	388,125			

2015 Goals:

- Develop formal Pavement Preservation Program. Define acceptable levels of service for pavement condition, select preservation strategies, and secure funding for 2015 and beyond.
- Design and construct appropriate preservation project with available funds.

Significant 2015 Budget Issues:

Current fund revenues are insufficient to maintain current levels of service of city roadway surfaces. Residential, cement concrete, and brick street preservation has not been addressed or funded.

Please see the Construction Projects section for detailed funding sources and expense categories for the capital outlay budgeted.

#114 - Community Center Fund

The Community Center operations fund is a separate revenue fund used specifically for the Wenatchee Community Center. The Wenatchee Community Center was established in 2006. Its vision is to unite the community by embracing cultures, families and individuals through assistance and support. The mission of the Center is to provide an inclusive multicultural facility for all members of the community through: Promoting and supporting a safe environment for social, recreational and educational participation; Advocating for personal economic development; Encouraging cultural identities within the community; Providing access to social service agencies, the faith community and intergenerational activities; and uniting people by encouraging a spirit of well-being and harmony. The Community Center is striving to provide opportunities to bring the community together and realize this vision.

The management of the Community Center was contracted out to Chelan Douglas Community Action in 2014. The only revenues are transfers in from the General Fund and the only expenditures are the City's responsibility to maintain the facility.

#114 - COMMUNITY CENTER OPERATIONS

				2014 Budget			2015 Budget		
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues									
Operating	90,444	109,389	76,146	0		0	0	0	#DIV/0!
Transfer in - #001	16,358	12,107	16,145	15,000		15,000	25,000	10,000	66.67%
Total Revenue	106,802	121,496	92,291	15,000	0	15,000	25,000	10,000	66.67%
Expenditures									
Salary/benefits	(77,106)	(82,107)	(99,472)	0	(15,000)	(15,000)	0	15,000	(100.00%)
Miscellaneous	(58,718)	(56,081)	(49,746)	(13,200)	(8,000)	(21,200)	(17,690)	3,510	(16.56%)
Total Expenditures	(135,824)	(138,188)	(149,218)	(13,200)	(23,000)	(36,200)	(17,690)	18,510	(51.13%)
Revenues over (under) expenditures	(29,022)	(16,692)	(56,927)	1,800		(21,200)	7,310		
Fund Balance January 1,	234,730	205,708	189,016	132,089		132,089	110,889		
Fund Balance December 31	205,708	189,016	132,089	133,889		110,889	118,199		
FTE's	1	1	1	0			0		

Low Income and Homeless Funding

The City's Planning staff administers the Chelan and Douglas Counties Homeless and Low Income Housing programs and the State of Washington's low income and homeless grants for our area. These funds are specifically dedicated to reducing and preventing homelessness and providing various types of assistance to low income citizens. The funds are made up of recording fees from Chelan and Douglas Counties or State grants.

The Planning staff also administers the City's Community Development Block Grant which provides various services to citizens or enhancements in South Wenatchee.

#113 - LOW INCOME HOUSING

				2014 Budget			2015 Budget		
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues	35,936	39,664	40,017	39,000	(9,000)	30,000	25,000	(5,000)	(16.67%)
Expenditures	(15,000)	(64,999)	(30,000)	(55,000)	0	(55,000)	(45,000)	10,000	(18.18%)
Revenues over (under) expenditures	20,936	(25,335)	10,017	(16,000)		(25,000)	(20,000)		
Fund Balance January 1,	77,552	98,488	73,153	83,170		83,170	58,170		
Fund Balance December 31	98,488	73,153	83,170	67,170		58,170	38,170		

#115 - CDBG ENTITLEMENT

				2014 Budget			2015 Budget		
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues	341,028	274,313	199,390	205,206	0	205,206	196,820	(8,386)	(4.09%)
Expenditures									
Operating	(182,772)	(251,060)	(99,738)	(205,206)	0	(205,206)	(196,820)	8,386	(4.09%)
Capital	(161,531)	(18,708)	(111,645)	0	0	0	0	0	#DIV/0!
Total Expenditures	(344,303)	(269,768)	(211,383)	(205,206)	0	(205,206)	(196,820)	8,386	(4.09%)
Revenues over (under) expenditures	(3,275)	4,545	(11,993)	0		0	0		
Fund Balance January 1,	(1,515)	(4,790)	(245)	(12,238)		(12,238)	(12,238)		
Fund Balance December 31	(4,790)	(245)	(12,238)	(12,238)		(12,238)	(12,238)		

#117 - HOMELESS HOUSING

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$	%
Revenues									
Intergovernmental	521,452	522,128	432,804	575,000	(85,000)	490,000	490,000	0	0.00%
Grant revenue	0	379,743	645,614	537,517	29,985	567,502	484,925	(82,577)	(14.55%)
Miscellaneous	1,327	596	358	1,000	0	1,000	1,000	0	0.00%
Total Revenue	522,779	902,467	1,078,776	1,113,517	(55,015)	1,058,502	975,925	(82,577)	(7.80%)
Expenditures									
Operating	(782,537)	(639,444)	(566,544)	(575,000)	35,365	(539,635)	(685,000)	(145,365)	26.94%
Grant Expenditures	0	(379,742)	(394,036)	(537,517)	(29,985)	(567,502)	(484,925)	82,577	(14.55%)
Transfers out - #001	(29,705)	0	0	0	0	0	0	0	#DIV/0!
Total Expenditures	(812,242)	(1,019,186)	(960,580)	(1,112,517)	5,380	(1,107,137)	(1,169,925)	(62,788)	5.67%
Revenues over (under) expenditures	(289,463)	(116,719)	118,196	1,000		(48,635)	(194,000)		
Fund Balance January 1,	814,717	525,254	408,535	526,731		526,731	478,096		
Fund Balance December 31	525,254	408,535	526,731	527,731		478,096	284,096		

LEOFF Obligations

RCW 41.16 and 41.18 require cities in the State of Washington to pay for most health care and long term care costs incurred by pre-LEOFF and LEOFF 1 employees and retirees for as long as they live. Pre-LEOFF are those employees hired prior to March 1, 1970 and LEOFF 1 are the employees hired between March 1, 1970 and September 30, 1977. Eligible employees / retirees as of December 31, 2013 are:

	Active	Retired	Total	Medicare Eligible
Fire	1	18	19	15
Police	0	17	17	10
	1	35	36	25

Funding Policy

The City reimburses 100% of the amount of validated claims for medical and hospitalization costs incurred by eligible retirees. We satisfy retiree medical claims through a three tier approach:

1. The City pays the Part B premium for those 25 individuals that are Medicare eligible, which results in Medicare being the primary payer for related medical claims.
2. The City pays for medical insurance coverage for all 36 individuals through the Association of Washington Cities Employee Benefits Trust (AWC), which is a fully insured indemnity plan that offers specific coverage's for particular maladies. If the individual is Medicare eligible, the AWC coverage is considered the secondary payer, if they are not Medicare eligible, AWC is considered primary.
3. Finally, the City reimburses the retiree for those medical claims that are not covered by either Medicare or AWC.

Under the Revised Code of Washington, costs related to medical, hospital and nursing care are also covered for all LEOFF 1 retirees as long as a disability exists.

#110 - LEOFF 1 - LONG-TERM CARE

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014	
								\$	%
Revenues									
Transfer In - #001	73,800	45,800	100,000	125,500	0	125,500	130,000	4,500	3.59%
Miscellaneous	1,062	1,061	811	750	0	750	2,550	1,800	240.00%
Total Revenue	74,862	46,861	100,811	126,250	0	126,250	132,550	6,300	4.99%
Expenditures	(83,723)	(56,491)	(98,474)	(130,000)	0	(130,000)	(130,000)	0	0.00%
Revenues over (under) expenditures	(8,861)	(9,630)	2,337	(3,750)		(3,750)	2,550		
Fund Balance January 1,	556,390	547,529	537,899	540,236		540,236	536,486		
Fund Balance December 31	547,529	537,899	540,236	536,486		536,486	539,036		

#116 - LEOFF 1 - HEALTH INSURANCE

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget		
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014	
								\$	%
Revenues									
Transfer In - #001	580,001	544,000	452,000	454,637	0	454,637	371,500	(83,137)	(18.29%)
Transfer In - #611	0	0	0	0	0	0	70,000	70,000	#DIV/0!
Miscellaneous	1,004	1,061	798	500	0	500	2,250	1,750	350.00%
Total Revenue	581,005	545,061	452,798	455,137	0	455,137	443,750	(11,387)	(2.50%)
Expenditures	(557,320)	(588,249)	(442,093)	(456,639)	0	(456,639)	(441,375)	456,639	(100.00%)
Revenues over (under) expenditures	23,685	(43,188)	10,705	(1,502)		(1,502)	2,375		
Fund Balance January 1,	539,400	563,085	519,897	530,602		530,602	529,100		
Fund Balance December 31	563,085	519,897	530,602	529,100		529,100	531,475		

The revenue for these funds is transfers in from the General Fund and Firemen's Pension Fund. The Firemen's Pension Fund has been determined to be over funded by our actuary and recommended that the City use no more than \$89,000 per year for the next 10 years to support mandatory benefits for retired firefighters.

Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources for and the payment of general obligation bonds. The City's outstanding general obligation debt includes:

- 2008 Cashmere Valley Bank Bond Anticipation Note refinanced in 2013 due 2022, \$2,400,000, construction of the Public Service Center. An additional principal payment of \$1.2 million is being made December 1, 2014.
- 1998 Limited Tax General Obligation refinanced in 2013 due in 2014 balance outstanding \$349,588, used to finance street overlay projects
- 2007 Limited Tax General Obligation matures 2027, total outstanding balance \$2,870,000, used to remodel council chambers, museum and technology upgrades for the convention center
- 2007 Limited Tax General Obligations mature 2021, \$1,470,000 outstanding, issued to refinance outstanding convention center bonds.
- 2001 Unlimited Tax General Obligations mature 2021, \$2,074,749 outstanding, voter approved bonds issued to build the police station.

DEBT SERVICE FUNDS

				2014 Budget			2015 Budget		
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 10/23/2014	Change from 2014 \$ %	
#201 - UTGO BONDS									
Revenues									
Property taxes	367,351	383,093	372,842	326,035	0	326,035	326,040	5	0.00%
Bonds proceeds	0	0	2,649,850	0	0	0	0	0	#DIV/0!
Total Revenues	367,351	383,093	3,022,692	326,035	0	326,035	326,040	5	0.00%
Expenditures									
Debt Service	(364,719)	(365,944)	(385,563)	(326,035)	0	(326,035)	(326,040)	(5)	0.00%
Refunded bond pmts	0	0	(2,630,000)	0	0	0	0	0	#DIV/0!
Total Expenditures	(364,719)	(365,944)	(3,015,563)	(326,035)	0	(326,035)	(326,040)	(5)	0.00%
Revenues over									
(under) expenditures	2,632	17,149	7,129	0	0	0	0		
Fund Balance January 1,	(34,080)	(31,448)	(14,299)	(7,170)		(7,170)	(7,170)		
Fund Balance December 31	(31,448)	(14,299)	(7,170)	(7,170)		(7,170)	(7,170)		
#205 - COUNCILMANIC (LTGO) BONDS									
Revenues									
Transfers in #001	977,844	245,934	259,726	258,884	1,200,000	1,458,884	219,255	#####	(84.97%)
Transfers in #106	307,590	309,559	306,110	307,463	0	307,463	396,255	88,792	28.88%
Transfers in #301	405,299	405,627	404,947	390,891	0	390,891	236,520	(154,371)	(39.49%)
Transfers In #307	0	0	137,158	500,000	0	500,000	500,000	0	0.00%
Misc	532	807	366	0	0	0	0	0	#DIV/0!
Bond Proceeds			3,109,850	0	0	0	0	0	#DIV/0!
Total Revenues	1,691,265	961,927	4,218,157	1,457,238	1,200,000	2,657,238	1,352,030	#####	#DIV/0!
Expenditures									
Debt Service	(1,652,616)	(1,000,444)	(1,228,983)	(1,457,240)	(1,200,000)	(2,657,240)	(1,351,115)	1,306,125	(49.15%)
Refunded bond pmts	0	0	(3,030,000)	0	0		0	0	#DIV/0!
Total Expenditures	(1,652,616)	(1,000,444)	(4,258,983)	(1,457,240)	(1,200,000)	(2,657,240)	(1,351,115)	1,306,125	
Revenues over									
(under) expenditures	38,649	(38,517)	(40,826)	(2)	0	(2)	915		
Fund Balance January 1,	45,452	84,101	45,584	4,758		4,758	4,756		
Fund Balance December 31	84,101	45,584	4,758	4,756		4,756	5,671		

Outstanding General Obligation Debt Service Requirements

Below is the annual debt service obligations listed by the fund responsible for the payment.

	General Fund *	Convention Center	REET 111/301	UTGO Bonds
2015	425,761	308,400	236,519	326,035
2016	425,361	308,923	235,919	326,036
2017	429,962	309,038	235,119	326,035
2018	411,485	313,738	239,119	326,036
2019	357,254	307,823	237,719	326,035
2020	356,654	311,700	236,119	326,035
2021	356,050	314,955	234,319	326,036
2022	15,630	62,520	237,100	
2023			234,330	
2024			236,350	
2025			237,950	
2026			233,920	
2027			234,675	
	<u>2,778,155</u>	<u>2,237,097</u>	<u>3,069,156</u>	<u>2,282,248</u>

* This amount will change with the December 2014 prepayment on the 2013 LTGO

LRF Debt

25% Obligations

	Amount	Interest Rate	Matures
Chelan Co PUD for River Road construction	58,913	5.28%	Jan 2017
25 N Worthen environmental remediation	300,000	2.00%	Jan 2018
Worthen Stairs	315,000	2.00%	Jan 2018
Riverside Dr Park/Orondo/Worthen Street	<u>199,000</u>	2.38%	Dec 2023
	<u>872,913</u>		

75% Obligations

Port of Chelan County for Orondo Gateway	300,000	0.00%
Port of Chelan County for Pybus	<u>1,350,000</u>	0.00%
	<u>1,980,146</u>	

Total LRF Debt	<u><u>2,715,146</u></u>
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If we receive the full \$500,000 per year it will take 5.28 years to pay the 75% loans and 8 years to repay the 25% loans.

Capital Project Funds

Capital Project Funds are used to account for the financial activities relating to major general governmental capital purchases or construction. Capital project funds are not used for enterprise fund related capital activities.

#301 - Real Estate Excise Tax Fund

The Real Estate Excise Tax Fund collects revenues via ¼ of 1% real estate excise tax that is paid by the seller of a piece of real estate. The revenue of this fund is currently reserved to partially pay the debt on:

- 1998 Limited Tax General Obligation mature 2014 total balance outstanding \$349,622, used to finance street overlay projects and
- 2007 Limited Tax General Obligation matures 2027, \$2,330,000, to construction of the Public Service Center

The actual debt service requirements of this fund can be found in the Debt Service section of this document.

#301 - Real Estate Excise Tax Fund									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenue									
1st 1/4% R.E.E.T.	180,094	316,842	355,568	326,035	0	326,035	307,500	(18,535)	(5.68%)
Transfers in - #111	236,081	89,600	62,365	100,000	0	100,000	0	(100,000)	(100.00%)
Total Revenues	416,175	406,442	417,933	426,035	0	426,035	307,500	(118,535)	(27.82%)
Expenditures									
Debt Service	(405,299)	(405,631)	(404,947)	(390,893)	0	(390,893)	(236,520)	154,373	(39.49%)
Total Expenditures	(405,299)	(405,631)	(404,947)	(390,893)	0	(390,893)	(236,520)	154,373	(39.49%)
Revenues over (under) expenditures	10,876	811	12,986	35,142		35,142	70,980		
Fund Balance January 1,	0	10,876	11,687	24,673		24,673	59,815		
Fund Balance December 31	10,876	11,687	24,673	59,815		59,815	130,795		

#302 Governmental Funds Capital Projects

This fund was created to account for the non-street related capital projects that occur. The current project the City is working on is the Saddlerock environmental mediation and the development of parking and trails on Saddlerock and the development of Hale Park.

#302 - Governmental Funds - Capital Projects									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenue									
Grant Revenues	0	0	171,355	0	0	0	0	0	#DIV/0!
Donations	0	0	1,000	0	0	0	0	0	#DIV/0!
Total Revenues	0	0	172,355	0	0	0	0	0	#DIV/0!
Project Expenses									
Saddlerock remedial action		(33,867)	(137,488)	0	0	0	0	0	#DIV/0!
Total Expenditures	0	(33,867)	(137,488)	0	0	0	0	0	#DIV/0!
Revenues over (under) expenditures	0	(33,867)	34,867	0		0	0		
Fund Balance January 1,	0	0	(33,867)	1,000		1,000	1,000		
Fund Balance December 31	0	(33,867)	1,000	1,000		1,000	1,000		

#307 – Local Revitalization Finance Program

The City created a Local Revitalization District in 2009 through ordinance 2009-26 under the authority of RCW 39.89.050. Formation of this District allows the City and participating junior taxing districts (Chelan County Port District and the NCW Regional Library District) to dedicate incremental growth in property tax revenues to the financing of capital projects within the District. The City was also awarded the opportunity for a tax rebate from the State of Washington up to \$500,000 annually. This award allows increases in State of Washington tax revenue resulting from development activity to be returned to the City of Wenatchee for financing of public infrastructure providing benefit to the District.

The District is generally bounded by the Columbia River to the east, Thurston Street to the south, the railroad tracks and Walla Walla Ave. to the West, and private property located just north of Walla Walla Park to the north.

The annual obligations associated with this fund are as follows:

- Monitor and manage local tax increments
- Submit annual reports to the Department of Revenue
- Monitor and track economic development activity within the District
- Manage use of funds to insure compliance with RCW's and ordinance

The City began receiving the rebate funds from the State September, 2013.

#307 - Local Revitalization Financing Program

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Property taxes	1,537	1,676	2,166	1,500	0	1,500	1,500	(1,500)	-100%
Sales tax rebate	0	0	274,482	500,000	0	500,000	500,000	(500,000)	-100%
Total Revenues	1,537	1,676	276,648	501,500	0	501,500	501,500	(501,500)	-100%
Expenditures	0	(1,867)	(181,611)	(500,000)	(70,000)	(570,000)	(500,000)	570,000	-100%
Revenues over (under) expenditures	1,537	(191)	95,037	1,500		(68,500)	1,500		
Fund Balance January 1,	0	1,537	1,346	96,383		96,383	27,883		
Fund Balance December 31	1,537	1,346	96,383	97,883		27,883	29,383		

Enterprise Funds

Enterprise funds are established to account for services provided to the public and are operated similar to a private business. The fees charged to customers pay for the services provided and the related debt and capital additions.

#401 – Water / Sewer Utility Fund

The Water/Wastewater Division of the Public Works Department provides water and sanitary sewer services for the City of Wenatchee. This division is funded through utility rates and fees for miscellaneous services rendered as well as interest revenue generated from invested cash reserves. This division is not supported by any taxes.

The water system service area covers a majority of the corporate City limits, but does not cover west of Western Avenue or north of Maple Street. The water system infrastructure includes two (2) booster pump stations, four (4) reservoirs (totaling 15 million gallons storage) and over 100 miles of pipes spread across three (3) pressure zones.

The wastewater system service area covers the entire City of Wenatchee, plus areas south of the City limits. Also included is the Olds Station area and continuing on up into the Sunnyslope area within the urban growth boundary. Some of these areas do not have a conveyance system installed yet, but staff has been working with developers over the last several years to plan and install wastewater infrastructure. The wastewater system includes the Waste Water Treatment Plant (WWTP) with a capacity of 5.5 Million Gallons per Day (MGD), five (5) lift stations, and over 140 miles of gravity wastewater lines.

The Environmental Division provides services for the Water, Wastewater and Stormwater Divisions of Public Works, but their budget is embedded in these operational funds. They assist the operation groups in complying with regulations and providing communication and public outreach with customers and the public. They are also responsible for administering the City's Cross Connection Control and Wastewater Pretreatment programs.

The Water Division is responsible for:

- Daily operation and maintenance of the water supply and distribution system including pumps, valves, hydrants, meters and pressure regulating facilities
- Monthly reading of all commercial meters and bi-monthly reading of all residential meters
- Repair of system facilities as needed
- Installation of new water services, upgraded water services, fire protection lines
- Replacement of substandard or defective fire hydrants
- Working with the Finance Department to encourage customer payments through notification and water turn-off
- Marking location of underground utilities for excavations

The Wastewater Division is responsible for:

- Daily operation and maintenance of the wastewater system including collection and treatment
- Preventive maintenance and repair of the entire wastewater infrastructure including pumps, blowers, drive motors, dewatering equipment, programmable logic controllers (PLCs), boilers, methane flaring equipment, gas compressors, floating dome digesters...
- Operation of the City's biosolids treatment facilities, about 12 miles south of Wenatchee, in accordance with EPA and Washington Dept. of Ecology strict regulations regarding the treatment, handling and use of biosolids
- Responsible for cleaning and inspecting 140 miles of gravity wastewater lines as part of a comprehensive risk management program to minimize sanitary sewer overflows (SSOs)
- Perform thousands of laboratory tests annually in order to operate the biological processes in the plant and to provide regulatory information to the Dept. of Ecology regarding the plant's compliance with NPDES (National Pollutant Discharge Elimination System) Permit limits

The Environmental Division is responsible for:

- Protection of the water system through the City's Cross Connection Control Program
- Protection of the WWTP through the City's Pretreatment Programs including the FOG (Fat, Oil and Grease) removal program
- Providing technical assistance on regulatory compliance
- Conducting users surveys in both water and wastewater to identify potential hazards
- Conduct monthly water quality testing

The Environmental Division is responsible for (continued):

- Provide communication to customers, regulators and citizens through:
 - Water Quality Report
 - Cross Connection Control Report
 - Water Facility Inventory
 - Water Use Efficiency Report
 - Wellhead Protection Report
- Many, Many more

2014 Goals:

- Relocate Broadview Lift Station
- Update Water Code
- Wellhead Protection Education & Outreach
- Improve Cross Connection Control web page
- Update Cross Connection Control Outreach & Education
- Unregulated Contaminant Monitoring – Phase 3
- Replace piping at one million gallon reservoir
- Millerdale Street main replacement
- Update industrial user database
- Renew industrial user contracts for Fresh Fruit Packers

#401 - WATER / SEWER									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues:									
Operating	8,978,075	9,014,210	9,220,436	10,711,052	0	10,711,052	11,073,155	362,103	3.38%
Transfers In	0	39,960	0	0	0	0	0	0	#DIV/0!
Bond Proceeds/PWTF	15,420,000	0	0	0	0	0	0	0	#DIV/0!
Total Revenues	24,398,075	9,054,170	9,220,436	10,711,052	0	10,711,052	11,073,155	362,103	3.38%
Expenses:									
Salary/benefits	(1,863,156)	(1,838,567)	(1,907,311)	(2,659,212)	0	(2,659,212)	(2,523,800)	135,412	(5.09%)
Miscellaneous	(5,324,437)	(4,392,706)	(3,059,641)	(5,992,417)	0	(5,992,417)	(6,107,032)	(114,615)	1.91%
Capital Outlay	(2,175,539)	(8,749,193)	(3,079,911)	(2,695,800)	0	(2,695,800)	(1,893,000)	802,800	(29.78%)
SRF & PWTF Loan Interest	(90,327)	(83,437)	(93,166)	(86,987)	0	(86,987)	(83,010)	3,977	(4.57%)
SRF & PWTF Loan Principal	(349,556)	(361,287)	(459,434)	(503,357)	0	(503,357)	(509,596)	(6,239)	1.24%
Bond Interest	(583,216)	(741,542)	(710,064)	(680,532)	0	(680,532)	(656,360)	24,172	(3.55%)
Bond Principal (12/1)	(2,719,188)	(897,346)	(931,220)	(954,297)	0	(954,297)	(980,850)	(26,553)	2.78%
Total Expenses	(13,105,419)	(17,064,078)	(10,240,747)	(13,572,602)	0	(13,572,602)	(12,753,648)	818,954	(6.03%)
Change in Net Working Capital	11,292,656	(8,009,908)	(1,020,311)	(2,861,550)		(2,861,550)	(1,680,493)		
Beginning Working Cap.				7,632,532		7,632,532	4,770,982		
Ending Working Cap.				4,770,982		4,770,982	3,090,489		
FTE's	25.07	24.97		26.58			27.886		

2015 Goals:

- Complete Wastewater Treatment Plant Facility Plan
- Complete next phase of WWTP gas piping improvements and removal of the gas mixing system.
- Provide water use efficiency outreach and education.
- Update industrial user database
- Update utility web pages with new pictures and information.
- Implement a valve exercising program that uses a computer based program for data collection and retention.

Significant 2015 Budget Issues:

The two significant budget issues are 1) The affect that the weather has on water system revenues and 2) The cost of regulatory compliance. Both of these areas introduce some unknowns into our operations that must be dealt with in an

ongoing manner. The regulatory compliance issue usually results in additional monitoring of our systems with additional reporting of the information required, while the variation in water system revenue will alter our projected revenue and thus the funds available to operate and improve the system. Neither of these has become unbearable, although the Biosolids Equivalency Process which the City spent over 4 years completing was very cumbersome and costly. The rates for the next several years have been adopted by the City Council and provide for adequate funding of the systems.

Please see the Construction Projects section for detailed funding sources and expense categories for the capital outlay budgeted.

#410 - Storm Drain Fund

The purpose of the Storm Drain Utility Fund is to provide funding for operation, maintenance improvement and expansion of the City's storm sewer system. The revenue for this fund is generated from a flat monthly charge to each single-family residence as well as a monthly charge to commercial and multi-family residences based on an "equivalent residential unit." The equivalent residential unit is an impervious surface of 3,000 square feet. The stormwater system consists of the complete system of catch basins, manholes and pipes for collecting, treating and conveying stormwater throughout the City. This system does not include the canyon drains which flow through the City in their own channels.

The City operates the system under a NPDES (National Pollutant Discharge Elimination System) General Stormwater Permit for a group of communities (Phase II) which regulates our operation of the system including mandating the regulations communities must put in place for their citizens to operate under. Compliance with this permit has become an increasingly larger burden for all cities under Phase II requirements. Our Environmental staff spends part of their time gathering information, inspecting facilities and reporting compliance.

Much of the cost of operating the system is dedicated to annual maintenance and cleaning efforts. This work is done by employees of the Water, Wastewater and Street Maintenance divisions of Public Works and billed back to the stormwater fund as actual costs are incurred. The only salaries that are charged directly to this fund are related to the administration and compliance of the operation and capital improvement aspects of the system and include the Public Works Directors, City Engineer, Environmental Manager and Contracts Coordinator.

The City has received many grants over the last several years, as part of the local four-agency Wenatchee Stormwater Technical Advisory Committee. These grants had been utilized to aid in compliance with the new regulations and also to help construct new facilities.

The Storm drain Utility Department is responsible for:

- Compliance with NPDES Phase II General Stormwater Permit
- Inventorying and mapping stormwater facilities
- Development of stormwater regulations concerning activities within the City which may affect stormwater quality
- Annual cleaning of the system – the goal is to clean all areas of the system on a two year rotation and visit the "problem areas" of the system annually
- Develop a capital improvement plan for the construction of facilities necessary to comply with NPDES and to provide adequate conveyance for stormwater within the City.

2014 Goals:

- Continue to maintain system in good condition
- Plan potential improvement of the stormwater system in the vicinity of the new Hale Park
- Replace or line some deteriorated pipes within the system
- Continue to develop a plan for dealing with the melting of accumulated snow in Wenatchee
- Continue the GIS mapping and maintenance reporting system
- Construct the Regional Decant Facility on Property purchased by the City
- Work with Chelan County on development of a Flood Control District to address canyon flooding and inundation of the urban stormwater system by canyon floodwaters
- Develop a plan for compliance with new requirements of the General Stormwater Permit

#410 - STORM DRAIN UTILITY

				2014 Budget			2015 Budget	Change from 2014	
	2011 Actual	2012 Actual	2013 Actual	Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues:									
Operating	1,329,925	1,420,979	1,499,718	1,786,802	0	1,786,802	1,931,845	145,043	8.12%
Grant	221,172	108,687	50,330	0	48,545	48,545	0	(48,545)	(100.00%)
Bond Proceeds	3,285,000	0	0	0	0	0	0	0	#DIV/0!
Total Revenues	4,836,097	1,529,666	1,550,048	1,786,802	48,545	1,835,347	1,931,845	96,498	5.26%
Expenses:									
Salary/benefits	(203,565)	(204,743)	(230,362)	(288,503)	0	(288,503)	(314,690)	(26,187)	9.08%
Miscellaneous	(548,125)	(654,089)	(350,369)	(874,596)	0	(874,596)	(903,690)	(29,094)	3.33%
Capital Outlay	(587,903)	(424,612)	(495,742)	(1,703,963)	0	(1,703,963)	(648,065)	1,055,898	(61.97%)
Bond Interest	(121,400)	(142,781)	(136,991)	(131,624)	0	(131,624)	(127,680)	3,944	(3.00%)
Bond Principal (12/1)	(1,656,645)	(177,654)	(183,780)	(188,204)	0	(188,204)	(192,460)	(4,256)	2.26%
Total Expenses	(3,117,638)	(1,603,879)	(1,397,244)	(3,186,890)	0	(3,186,890)	(2,186,585)	1,000,305	(31.39%)
Change in Net Working Capital	1,718,459	(74,213)	152,804	(1,400,088)		(1,351,543)	(254,740)		
Beginning Working Cap.				2,424,062		2,424,062	1,072,519		
Ending Working Cap.				1,023,974		1,072,519	817,779		
FTE's	2.3	2.15		2.83			5.04		

2015 Goals:

- Update stormwater code to comply with the new requirements of the Phase II Municipal Stormwater Permit effective August 1, 2014.
- Provide education and outreach at community events and in the schools.
- Inspect outfalls and water quality treatment facilities at least once.
- Develop internal coordination plan for stormwater program implementation

Significant 2015 Budget Issues:

- As the maintenance and administration (NPDES compliance) take up a larger portion of the budget, less is available for satisfying the capital needs of the system, which are significant. The monthly stormwater fees have increased to cover some of these costs, but there is an upper limit on acceptable fees which we want to stay under.

Please see the Construction Projects section for detailed funding sources and expense categories for the capital outlay budgeted.

#415 – Regional Water Fund

The Wenatchee Regional Water System supplies water to the City of Wenatchee, Chelan County Public Utility District (PUD), and the East Wenatchee Water District (EWWD). These three water purveyors serve domestic water for the entire Wenatchee Valley. The City operates and maintains the system in cooperation with the PUD and the EWWD through an Advisory Committee. The Advisory Committee is comprised of 3 staff and 3 elected officials who govern the operations of the Regional Water System.

The activities of the Regional Water System include pumping and water delivery, monitoring and maintaining the transmission line, pumps, meters, valves, chlorination equipment, and telemetry equipment.

2014 Goals:

- Determine effects of aquifer Study from the PUD
- Complete regional redundancy study for both redundant source and transmission capacity
- Develop a plan for the potential use of regional financial resources to migrate domestic water users on to irrigation “ditch” water for irrigation needs
- Complete a cross connection control survey of connects at Regional. (Identified corrections were completed 8/31/2014).
- Begin Unregulated Contaminant Monitoring (December 2014).
Update the Wellhead Protection Program (October 2014).

#415 - REGIONAL WATER									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Operating	1,237,559	1,272,594	1,266,381	1,366,500	0	1,366,500	1,366,500	0	0.00%
Transfers In	0	2,109	0	0	0	0	0	0	#DIV/0!
Total Revenues	1,237,559	1,274,703	1,266,381	1,366,500	0	1,366,500	1,366,500	0	0.00%
Expenses:									
Salary/benefits	(142,675)	(152,459)	(144,213)	(152,873)	0	(152,873)	(165,620)	(12,747)	8.34%
Misc	(354,227)	(352,316)	(246,991)	(362,516)	0	(362,516)	(349,972)	12,544	(3.46%)
Capital Outlay	(47,788)	(120,170)	(2,540,699)	(108,000)	0	(108,000)	(1,901,000)	(1,793,000)	1660.19%
Bond Interest	(12,087)	0	0	0	0	0	0	0	#DIV/0!
Bond Principal (12/1)	(345,345)	0	0	0	0	0	0	0	#DIV/0!
Total Expenses	(902,122)	(624,945)	(2,931,903)	(623,389)	0	(623,389)	(2,416,592)	(1,793,203)	287.65%
Change in Net Working Capital	335,437	649,758	(1,665,522)	743,111		743,111	(1,050,092)		
Beginning Working Cap.				1,335,620		1,335,620	2,078,731		
Ending Working Cap.				2,078,731		2,078,731	1,028,639		
FTE's	1.5	1.5		1.55			1.6		

2015 Goals:

- Continue Unregulated Contaminant Monitoring in addition to the routine water quality monitoring.
- Update the Emergency Response Plan for Regional.
- Finalize source and system redundancy and reliability study and pursue second source development

Significant 2015 Budget Issues:

- Regional Water is Financially Healthy and is Preparing for Future Expansion Needs

Please see the Construction Projects section for detailed funding sources and expense categories for the capital outlay budgeted.

#420 – Solid Waste Fund

Garbage services are provided to the citizens of Wenatchee through a contract with Waste Management, Inc. that runs through the year 2020. Based on the provision of the contract Waste Management collects all solid waste throughout the City for both residential and commercial customers. Waste Management bills and collects from commercial customers, the City bills and collects from residential customer prior to April 2014.

In an effort to provide variable sized waste containers to our citizens, Waste Management began billing residential customers in 2014. The City and Waste Management are working on a new agreement.

#420 - SOLID WASTE									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Operating	1,936,868	2,006,791	2,036,390	809,152	0	809,152	0	(809,152)	(100.00%)
DOE Grant	89,123	0	0	0	0	0	0	0	#DIV/0!
Total Revenues	2,025,991	2,006,791	2,036,390	809,152	0	809,152	0	(809,152)	(100.00%)
Expenses									
Salary/benefits	0	0	(80,070)	(15,336)	0	(15,336)	0	15,336	(100.00%)
O & M	(1,921,239)	(2,022,063)	(1,882,492)	(910,339)	0	(910,339)	0	910,339	(100.00%)
Environmental	(66,527)	0	0	0	0	0	0	0	#DIV/0!
Transfers out	(1,703)	0	0	0	0	0	0	0	#DIV/0!
Total Expenses	(1,989,469)	(2,022,063)	(1,962,562)	(925,675)	0	(925,675)	0	910,339	(98.34%)
Change in Net Working Capital	36,522	(15,272)	73,828	(116,523)		(116,523)	0		
Beginning Working Cap.				252,967		252,967	136,444		
Ending Working Cap.				136,444		136,444	136,444		
FTE's				1.21					

#425 – Regional Decant (Vactor) Facility Fund

This fund was created in 2012 to account for the construction and operation of the new Decant Facility located in South Wenatchee.

#425 - Regional Vactor Facility									
	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Grant Revenue	0	0	132,951	1,382,000	0	1,382,000	456,645	(925,355)	(66.96%)
Transfers In	0	0	42,393	149,000	0	149,000	174,755	25,755	17.29%
Capital Expenses	0	0	(174,670)	(1,531,000)	0	(1,531,000)	(631,400)	899,600	(58.76%)
Change in Net Working Capital	0	0	674	0		0	0		
Beginning Working Cap.				0		0	0		
Ending Working Cap.				0		0	0		

Please see the Construction Projects section for detailed funding sources and expense categories for the capital outlay budgeted.

#430 – Cemetery Operations Fund

The City of Wenatchee Cemetery is operated by the Cemetery Division of the Public Works Department. The Cemetery facilities include the 34 acre Wenatchee Cemetery (which includes a mausoleum with interior and exterior crypts and niches) and the Home Of Peace Mausoleum on South Miller Street. Cemetery staff is responsible for overall operations of the facility, including landscape installation and maintenance, burial service setup, grave, niche and crypt sales, burials marker setting and any other operational task necessary. Staff works with local and out-of-area funeral directors and families directly to accommodate the needs of those utilizing the Cemetery.

The City Cemetery derives its revenues from three sources. The first source is fee for services provided by the staff at the Cemetery. The second is from the sale of graves, crypts, niches, markers and other items. The third is from the interest

earnings from the Cemetery Endowment Care Fund, a fiduciary fund, which receives 13% of all grave, crypt and niche sales to help provide for future costs of the facility. Currently the interest earnings are reinvested in the fund to maximize the compound earning potential. The principal or corpus of this fund can never be expended, but the interest revenues from this account are meant to provide funding for the operations of the Cemetery when the other two revenue sources decline as the Cemetery property is filled. For many years the three traditional revenue sources have not been adequate to fund Cemetery operations. For this reason the City's General Fund had made a reoccurring transfer to the Cemetery fund in amounts ranging from \$17,000 to \$90,000 annually.

The Cemetery Department is responsible for:

- Sale of Graves, Crypts and Niches
- Sale of memorial markers, grave vaults, vases and other grave accessories
- Maintenance of irrigation system including pumps, valves, controllers and sprinklers
- Maintenance of over 30 acres of Cemetery turf
- Maintenance of numerous trees, shrubs, bushes and flowers
- Opening and closing of graves
- Coordination of burial services with funeral directors

2014 Goals:

- ✓ Trimming of nearly 19,000 memorial markers twice annually (down from 3 times annually)
- ✓ Replat portions of the oldest sections of the Cemetery to provide additional graves in the area allowing upright headstones
- ✓ Continue to update and automate Cemetery Records.
- ✓ Remove unhealthy and potentially hazardous trees from the Cemetery

#430 - CEMETERY

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Operating	153,327	185,955	188,759	174,950	30,000	204,950	200,900	(4,050)	(1.98%)
Non-Operating	0	24,270	0	0	0	0	0	0	#DIV/0!
Transfers In - #001	93,400	90,999	91,000	91,000	0	91,000	90,000	(1,000)	(1.10%)
Transfers In - #501	0	4,145	0	0	0	0	0	0	#DIV/0!
Total Revenues	246,727	305,369	279,759	265,950	30,000	295,950	290,900	(5,050)	(1.71%)
Expenses:									
Salary/benefits	(168,965)	(175,469)	(177,477)	(188,311)	0	(188,311)	(192,580)	(4,269)	2.27%
Miscellaneous	(78,251)	(92,215)	(95,441)	(96,214)	0	(96,214)	(82,635)	13,579	(14.11%)
Capital Outlay	0	24,270	0	0	0	0	0	0	#DIV/0!
Total Expenses	(247,216)	(243,414)	(272,918)	(284,525)	0	(284,525)	(275,215)	9,310	(3.27%)
Change in Net Working Capital	(489)	61,955	6,841	(18,575)		11,425	15,685		
Beginning Working Cap.				25,178		25,178	36,603		
Ending Working Cap.				6,603		36,603	52,288		
FTE's	2.05	2.05		2.05			2.05		

2015 Goals:

- Continue with potentially hazardous tree removal
- Reinstate a turf management program including weed control and fertilization
- Increase marker trimming back to 3 times per year
- Continue to update and automate Cemetery records

Significant 2015 Budget Issues:

- Revenues at the Cemetery continue to lag behind the cost of operations.
- Trends in the funeral industry (cremation, retaining of ashes, and burial of veterans at National Cemeteries) indicate that revenues will continue to decline.
- Budget cuts in the last 3 years have made it difficult to maintain the high level of operations expected at a municipal cemetery.

Internal Service Funds

The internal service funds are used to account for goods or services provided by one department or fund to another department or fund of the City.

#501 - Equipment Operations & Maintenance Fund

The Equipment Operations & Maintenance Division of the Public Works Department is tasked with providing all of the Departments within the City of Wenatchee with high quality fleet management and operations to meet the needs of the end users and citizens of the City of Wenatchee. The Equipment Maintenance staff consists of one supervisor and fleet specialist (both shared with the Facilities Maintenance Division) and three mechanics providing automotive, heavy truck, heavy equipment, emergency vehicle and small engine maintenance.

The Equipment Operations & Maintenance Fund is responsible for:

- Preventive and scheduled maintenance services for all City vehicles and equipment
- Troubleshooting and repair of all City vehicles and equipment
- Specification development and purchasing of vehicles and equipment
- Setup and preparation of new vehicles for service
- Fabrication of materials for other Public Works Divisions
- Winterizing and de-winterizing of seasonal equipment
- Accounting for all vehicle and equipment expenses including parts and labor for repairs and services, fuel used and insurance costs
- Purchase parts and manage parts inventory
- Keeping of all records establishing a complete vehicle history

2014 Goals:

- ✓ Setup replacement Water Division service truck
- ✓ Continue to migrate appropriate vehicles to synthetic fluids program to prolong service intervals
- ✓ Complete conversion to new police in-car camera system
- ✓ Frame repair of H&W fire pumper
- Specify and purchase a new Fire Engine
- Purchase and coordination of setup of 4 patrol vehicles changing from the old Crown Victoria platform to the new Dodge Charger platform
- Complete installation of dump beds, sanders and plows for two used 10 yard truck chassis.

#501 - CITY SERVICES - Equip. O&M

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Operating	787,338	874,924	963,693	956,761	0	956,761	862,850	(93,911)	(9.82%)
Fire truck replacement	0	0	0	0	0	0	0	0	#DIV/0!
Total Revenue	787,338	874,924	963,693	956,761	0	956,761	862,850	(93,911)	(9.82%)
Expenses:									
Salary/benefits	(292,043)	(311,142)	(297,646)	(333,951)	0	(333,951)	(337,460)	(3,509)	1.05%
Miscellaneous	(564,274)	(617,556)	(557,013)	(625,390)	0	(625,390)	(511,155)	114,235	(18.27%)
Transfers out - Fire Equip Fund	(22,265)	(894,384)	0	0	0	0	0	0	#DIV/0!
Transfers out - excess cash	0	(230,242)	0	0	0	0	0	0	#DIV/0!
Total Expenses	(878,582)	(2,053,324)	(854,659)	(959,341)	0	(959,341)	(848,615)	110,726	(11.54%)
Change in Net Working Capital	(91,244)	(1,178,400)	109,034	(2,580)		(2,580)	14,235		
Beginning Working Cap.				174,141		174,141	171,561		
Ending Working Cap.				171,561		171,561	185,796		
FTE's	3.75	3.75	3.75	3.75			3.86		

2015 Goals:

- Provide setup services for numerous vehicles including several special services vehicles with complex lighting and communications equipment
- Continue to evaluate and migrate vehicles to synthetic fluids program when appropriate
- Evaluate fleet maintenance management systems for automation of current programs
- Develop a shop equipment replacement funding plan for major shop equipment.
- Improve training for staff to troubleshoot and maintain increasingly complex automotive electronics systems.

Significant 2015 Budget Issues:

- The scheduled replacement of shop equipment has not been adequately funded. The two-post lift currently in use is nearly 20 years old and needs to be replaced. The development of a shop equipment replacement fund will allow the replacement of obsolete and potentially unsafe equipment on a scheduled plan limiting large variations in fleet revenue needs
- The continual rise of metal, fuel and oil prices has had an ongoing upward effect on the price of parts and consumables in the automotive and heavy equipment industry. Fortunately near the end of 2014 we have seen the fuel and oil prices decline so no increases are scheduled for 2015.

#503 - Equipment Rental & Replacement Fund

The Equipment Rental & Replacement (ER&R) Division of the Public Works Department is responsible for managing the scheduled replacement of the City's fleet of vehicles and equipment. The ownership of all City vehicles and heavy equipment (with the exception of the 6 pieces of firefighting apparatus) is held by the ER&R Fund. These vehicles and pieces of equipment are rented back to the end-user department at a rental rate sufficient to cover the cost of replacement at the end of its useful life.

The ER&R staff (Public Works Director – Operations, Fleet and Facilities Supervisor, Fleet and Facilities Specialist) has developed a 25-year replacement plan which outlines the replacement schedule of all vehicles and equipment and a cash-flow plan to provide adequate funding for those purchases. The ER&R Fund is a revolving account in which current revenues are used to make the scheduled purchases in any given year.

In recent years the ER&R staff has been looking to the used vehicle and equipment market to temper raising vehicle and equipment costs, if a used vehicle will meet the needs of the end-user.

The Equipment Rental & Replacement Fund is responsible for:

- | | |
|---|---|
| ○ Scheduling the replacement of all City vehicles and pieces of equipment | ○ Determining and amending expected vehicle life based on maintenance records and utilization history |
| ○ Developing a funding plan to provide for annual purchases | ○ Developing specifications for and soliciting quotes for vehicle and equipment purchases |

2014 Goals:

- | | |
|--|--|
| ✓ Complete setup new water service vehicle (1-½ ton truck with service body) | ✓ Retrofit existing chassis with new dump bed/hoist |
| ✓ Purchase used chassis for combination water flusher/road deicer truck | ✓ Purchase new diesel compressor |
| ✓ Purchase 5 police vehicles (4 patrol cars and one detective vehicle) | ✓ Purchase Fire Pumper/Engine |
| ✓ Purchase Facility Maintenance van | ○ Develop a plan to utilize the used vehicle and equipment market more effectively |
| ✓ Purchase Street Sweeper | ○ Develop a replacement plan for the 6 pieces of Fire Apparatus which were added to the fleet in 2014. |

#503 - CITY SERVICES - Equip. Replacement

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Intergovernmental	0	54,699	58,930	59,000	0	59,000	59,000	0	0.00%
Internal Services	626,998	619,632	699,185	768,586	0	768,586	764,900	(3,686)	(0.48%)
Miscellaneous	13,088	24,272	15,676	2,000	0	2,000	3,000	1,000	50.00%
Transfers in	32,157	764,384	88,514	350,000	(80,000)	270,000	0	(270,000)	(100.00%)
Total Revenue	672,243	1,462,987	862,305	1,179,586	(80,000)	1,099,586	826,900	(272,686)	(24.80%)
Expenses:									
Salary/benefits	(39,464)	(40,521)	(41,103)	(43,397)	0	(43,397)	(55,205)	(11,808)	27.21%
Miscellaneous	(9,896)	(43,023)	(326,726)	0	0	0	0	0	#DIV/0!
Capital Outlay	(76,305)	(156,072)	(766,912)	(769,364)	0	(769,364)	(813,185)	(43,821)	5.70%
Total Expenses	(125,665)	(239,616)	(1,134,741)	(812,761)	0	(812,761)	(868,390)	(55,629)	6.84%
Change in Net Working Capital	546,578	1,223,371	(272,436)	366,825		286,825	(41,490)		
Beginning Working Cap.				2,625,895		2,625,895	2,912,720		
Ending Working Cap.				2,992,720		2,912,720	2,871,230		
FTE's	0.44	0.44	0.44	0.44			0.52		

2015 Goals:

- Procure the following vehicles:
 - Police Department – Detective Vehicle
 - Police Department – 4 Patrol cars
 - PW Water Division – 1 Ton dump truck
 - PW Water Division – Backhoe/Loader
 - PW Utilities – Small/Mid SUV
 - PW Street Division – 1 Ton Flatbed
 - PW Street Division – Replacement snow plow
 - PW Street Division - Street Sweeper
 - PW Parks Maintenance Division – 4WD Pickup
 - Community Development Code Division – SUV/Pickup
- Evaluate vehicles and pieces of equipment for extension of useful life.
- Evaluate fleet utilization with a goal of consolidating or eliminating underutilized vehicles

Significant 2014 Budget Issues:

- Over the past 5 budget cycles the City has utilized replacement rate “holidays” to reduce the cost of funding the replacement of the City’s fleet by extending projected vehicle life. This practice ended in 2013 but has caused many vehicles and pieces of equipment to be underfunded when the true end-of-life is met. The challenge is to slowly rectify this imbalance over the next several years so that when a vehicle reaches its end-of-life, adequate funds have been collected to provide for the replacement.

#504 - Facility Maintenance Fund

The Public Works Department’s Facility Maintenance Division is responsible for the building maintenance for all of the City’s facilities. This includes City Hall, the Police Station, the Historic Police Station (home of Information Services/Facility Maintenance/Drug Task Force), the Public Services Center Complex, the Museum Complex, the Community Center, two Fire Stations, the City Pool and Bathhouse and some of the work at the buildings in City parks. This fund primarily derives its revenue from a general fund transfer in the “other administrative” section of the budget. Other non-general fund departments also contribute to the Facility Maintenance fund for facility maintenance and upkeep.

The facility maintenance crew also provides tenant improvement services for City departments such as remodels of existing spaces, or expansions to accommodate departmental growth.

Facility Maintenance Division is responsible for:

- Maintenance of all City facilities including:
 - Heating, Ventilation and Air Conditioning (HVAC) operations and maintenance
 - Electrical maintenance including lighting
 - Plumbing system maintenance and replacement
- Construction of improvement to City owned facilities
- Contracting for outside repair or construction at City facilities
- Maintenance of building finishes (paint, wall paper, carpet, ceiling tile)
- Maintenance of security systems including managing city-wide keying system
- Maintenance of City appliances

2014 Goals:

- ✓ Ballast replacements at the Public Services Center
- ✓ Station 41 flooring replacement
- ✓ Install "Shore Power" system at City Hall for Police Cars
- ✓ HVAC improvements at the Community Center, Convention Center and Fire Station
- ✓ Major roof repairs at Historic Police Station and City Hall
- ✓ Pigeon control at several City Facilities

#504 - CITY SERVICES - Facilities

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Internal Services	331,421	289,463	294,861	290,000	0	290,000	380,000	90,000	31.03%
Facility Leases	10,800	25,200	25,803	16,000	0	16,000	38,500	22,500	140.63%
Miscellaneous	0	135,373	398	100	0	100	100	0	0.00%
Transfer in	0	229,015	0	0	80,000	80,000	0	(80,000)	(100.00%)
Total Revenue	342,221	679,051	321,062	306,100	80,000	386,100	418,600	32,500	8.42%
Expenses:									
Salary/benefits	(206,109)	(154,686)	(140,318)	(150,385)	0	(150,385)	(230,020)	(79,635)	52.95%
Miscellaneous	(138,490)	(132,737)	(143,331)	(140,319)	0	(140,319)	(140,070)	249	(0.18%)
Capital	0	(398,920)	0	0	0	0	0	0	#DIV/0!
Total Expenses	(344,599)	(686,343)	(283,649)	(290,704)	0	(290,704)	(370,090)	(79,386)	27.31%
Change in Net Working Capital	(2,378)	(7,292)	37,413	15,396		95,396	48,510	(46,886)	
Beginning Working Cap.				168,801		168,801	264,197	264,197	
Ending Working Cap.				184,197		264,197	312,707	217,311	
FTE's	2.71	2.71	2.71	1.71			2.55		

#502 - Self Insurance Fund

The Self Insurance Fund provides property/casualty insurance that covers all City assets and programs. The City is a member of the Association of Washington City Risk Management Service Agency (AWC RMSA) pool. AWC RMSA had 86 member municipalities as of December 31, 2011. Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. AWC RMSA, itself, pays out of its own funds all claims up to \$250,000 for liability and \$50,000 for property, and thereafter purchases excess liability insurance. The revenue for this fund is from a general fund transfer in the "other administrative" section of the budget and other operating funds.

#502 - SELF - INSURANCE

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues:									
Internal Services	876,912	876,912	947,208	933,190	0	933,190	899,500	(33,690)	(3.61%)
Miscellaneous	74,545	34,191	91,896	25,500	0	25,500	25,500	0	0.00%
Transfers In		0	0	135,717	0	135,717	0	(135,717)	(100.00%)
Total Revenue	951,457	911,103	1,039,104	1,094,407	0	1,094,407	925,000	(169,407)	(15.48%)
Expenses:									
Insurance Premiums	(778,741)	(818,617)	(845,269)	(828,690)	0	(828,690)	(795,000)	33,690	(4.07%)
Professional Services	(911,915)	0	0	0	0	0	0	0	#DIV/0!
Payments to Claimants/Misc	(146,360)	(145,318)	(164,323)	(130,000)	0	(130,000)	(130,000)	0	0.00%
Total Expenses	(1,837,016)	(963,935)	(1,009,592)	(958,690)	0	(958,690)	(925,000)	33,690	(3.51%)
Change in Net Working Capital	(885,559)	(52,832)	29,512	135,717		135,717	0		
Beginning Working Cap.				1,341,242		1,341,242	1,476,959		
Ending Working Cap.				1,476,959		1,476,959	1,476,959		

#505 - Information Systems Fund

The Information Systems department's mission is to proactively provide cost effective, reliable, standardized, and current information technology tools, systems, and services including customer support to the departments of the City of Wenatchee. The Information Systems department designs, maintains, and monitors the City's data network. The department orders, delivers, repairs, and maintains all desktop, handheld personal computers and peripheral equipment. They insure the integrity and security of data operations, and oversee and manage the City's data center. Primary computer applications, such as financial, payroll, utilities, permitting, and public safety and related database systems, are maintained and supported by the Information Systems department. The department manages the City's Internet and Intranet web sites, Wenatchee Public Access TV equipment and programming, council chambers technology operations and support and the City's telephone systems.

2014 Goals:

- Migrate Convention Center PCs to the city network
- Replace Citizen Help Desk software
- Upgrade Exchange software
- Upgrade Server OS's
- Eliminate all Windows XP PCs
- Upgrade email message archival system
- Upgrade firewall
- Upgrade intrusion prevention system
- Install mobile device management software
- Upgrade phone system for Fire, Museum and Police
- Install intrusion detection system
- Signed contract for Managed Incident Response Services from MK Hamilton & Associates

#505 - INFORMATION TECHNOLOGY

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Internal services	785,707	793,832	797,065	831,880	0	831,880	895,020	63,140	7.59%
Cable TV Capital Contributions	2,227	2,441	2,430	2,300	0	2,300	2,300	0	0.00%
Miscellaneous	1,638	2,276	4,799	500	0	500	350	(150)	(30.00%)
Transfers In	0	363	0	0	0	0	0	0	#DIV/0!
Total Revenue	789,572	798,912	804,294	834,680	0	834,680	897,670	62,990	7.55%
Expenses:									
Salary/benefits	(383,832)	(391,334)	(394,234)	(406,518)	0	(406,518)	(421,820)	(15,302)	3.76%
Miscellaneous	(314,271)	(393,033)	(358,415)	(459,282)	0	(459,282)	(502,310)	(43,028)	9.37%
Capital Outlay	(54,928)	0	(26,073)	0	(72,500)	(72,500)	0	72,500	(100.00%)
Total Expenses	(753,031)	(784,367)	(778,722)	(865,800)	(72,500)	(938,300)	(924,130)	14,170	(1.51%)
Change in Net Working Capital	36,541	14,545	25,572	(31,120)		(103,620)	(26,460)		
Beginning Working Cap.				293,686		293,686	190,066		
Ending Working Cap.				262,566		190,066	163,606		
FTE's	4	4	4	4			4		

2015 Goals:

- Website redesign
- Upgrade storage area network
- Upgrade Microsoft Office

Fiduciary Funds

Fiduciary funds account for assets held by a government in a trustee capacity or as an agent for other governments or funds.

#610 - Cemetery Endowment Fund

This fund is used to account of trust amounts received through sales of graves, crypts and niches in the Cemetery Enterprise Fund. At the point the existing City cemetery is at full capacity the interest earning on the corpus of this fund will be used for the operation and maintenance of the facility, however the corpus may not be spent. The Fund currently has two investments outstanding:

- Interfund loan with the General Fund, a \$71,509 principal and interest annual payment, interest rate of 3.592%, final payment will be September 2018
- Riverside Drive LID bond, \$400,000, this is a 20 year bond, interest earned (5.56%) is based on declining principal balance, property owners can pay off or pay down the principal balance early, therefore it is difficult to determine what future interest earnings may be.

#610 - CEMETERY TRUST

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues	26,482	51,318	48,426	35,000	0	35,000	37,000	(35,000)	(100.00%)
Expenses	0	0	0	0	0	0	0	0	#DIV/0!
Revenues over (under) expenditures	26,482	51,318	48,426	35,000		35,000	37,000		
Fund Balance January 1,	826,572	853,054	904,372	952,798		952,798	987,798		
Fund Balance December 31	853,054	904,372	952,798	987,798		987,798	1,024,798		

#611 - Firemen's Pension Fund

RCW.3.24.380 established the authority to create a Firemen's Pension Fund to meet the requirement of Washington State Law to provide pension and related benefits to fire department employees hired prior to March 1, 1970. As of December 31, 2011, there were 25 retirees or beneficiaries eligible for retirement benefits. Of these 25, the State pays seven; the City pays four; and both the City and State share the cost of the remaining 14. The City is required to have a bi-annual actuarial study done. The last valuation was January 1, 2014 and indicated the City pension fund was over funded and if we used pension funds to pay other mandatory benefits for the retirees it be limited to no more than \$89,000 per year over the next 10 years.

The pension fund has one long term investment: the Riverside Drive LID bond, \$1,500,000, this is a 20 year bond, interest earned (5.56%) is based on declining principal balance, property owners can pay off or pay down the principal balance early, therefore it is difficult to determine what future interest earnings may be.

#611 - FIREMEN'S PENSION

	2011 Actual	2012 Actual	2013 Actual	2014 Budget			2015 Budget	Change from 2014	
				Approved Budget	Budget Amend	Prelim Final Budget	Preliminary 11/6/2014	\$	%
Revenues									
Fire Insurance Premium	26,554	25,282	26,147	26,000	0	26,000	26,000	0	0.00%
Miscellaneous	4,011	84,606	73,366	20,000	0	20,000	40,000	20,000	100.00%
Total Revenue	30,565	109,888	99,513	46,000	0	46,000	66,000	20,000	43.48%
Expenses									
Operating	(163,534)	(160,188)	(113,645)	(132,167)	0	(132,167)	(133,575)	(1,408)	1.07%
Transfers -out \$116	0	0	0	0	0	0	(70,000)	(70,000)	#DIV/0!
Transfers out - #001	(312,200)	0		0	0	0	0	0	#DIV/0!
Total Expenses	(475,734)	(160,188)	(113,645)	(132,167)	0	(132,167)	(203,575)	(71,408)	54.03%
Revenues over (under) expenditures	(445,169)	(50,300)	(14,132)	(86,167)	0	(86,167)	(137,575)		
Fund Balance January 1,	2,572,596	2,127,427	2,077,127	2,062,995		2,062,995	1,976,828		
Fund Balance December 31	2,127,427	2,077,127	2,062,995	1,976,828		1,976,828	1,839,253		

Staffing History

Analysis of budgeted Full-Time Equivalent Employees (FTEs)

	2015 Budget	2014 Budget	2013 Budget	2012 Budget	2011 Budget	2010 Budget	2009 Budget	2008 Budget	2007 Budget	2006 Budget
General Fund										
<u>Excluding Public Safety</u>										
Council / Administration	4.670	4.000	4.000	4.000	4.000	4.000	5.830	6.500	6.500	5.000
Finance	6.040	6.700	6.700	11.000	11.800	12.000	11.000	11.000	11.500	11.500
Code Enforcement	5.071	6.000	6.000	6.000	6.000	6.000	6.000	4.000	4.000	4.000
Planning	6.191	5.020	5.120	3.820	4.020	4.020	6.020	8.020	8.040	5.640
Engineering	7.258	6.850	6.850	6.050	6.050	6.050	5.250	5.250	5.525	5.375
Recreation & Swimming Pool	2.600	2.500	2.500	2.500	2.500	3.100	3.600	3.600	3.225	2.850
Park Maintenance	8.000	7.170	7.170	7.050	7.050	7.450	7.450	7.450	7.575	7.575
Museum	0.000	1.000	1.000	5.000	5.000	5.000	6.000	6.000	6.000	5.800
Total excluding public safety	39.830	39.240	39.340	45.420	46.420	47.620	51.150	51.820	52.365	47.740
<u>Fire</u>										
Fire Administration	3.000	2.500	3.300	3.800	4.000	4.000	5.000	5.000	5.000	5.000
Firefighters	25.000	26.000	26.000	28.000	28.000	30.000	31.000	31.000	31.000	31.000
Total Fire Department	28.000	28.500	29.300	31.800	32.000	34.000	36.000	36.000	36.000	36.000
<u>Police</u>										
Administration	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
Officers	34.000	33.000	34.000	37.000	37.000	38.000	40.000	39.000	39.000	37.000
Records	8.000	8.000	8.000	9.000	9.000	10.000	10.000	10.000	10.000	10.000
Total Police Department	46.000	45.000	46.000	50.000	50.000	52.000	54.000	53.000	53.000	51.000
General Fund Total	113.830	112.740	114.640	127.220	128.420	133.620	141.150	140.820	141.365	134.740
All Other Funds										
Convention Center Fund	1.270	2.100	2.100	2.100	2.100	2.100	2.100	2.100	2.125	1.875
Streets Fund	12.550	11.880	11.980	11.930	11.410	13.080	13.080	13.000	12.800	11.900
Community Center Operations	0.000	0.000	1.000	1.000	1.000	1.000	1.000	0.950	0.500	0.00
Water/Sewer Fund	27.886	28.512	26.580	24.970	25.070	25.070	25.070	25.200	24.050	23.400
Regional Water Fund	1.600	1.600	1.550	1.500	1.500	1.500	1.500	1.450	1.450	1.450
Sanitation Fund	0.000	0.199	1.210	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Storm Drain Fund	5.400	3.138	2.830	2.150	2.300	2.300	2.300	2.300	1.850	1.450
Cemetery Fund	2.050	2.050	2.050	2.050	2.050	2.050	2.050	2.050	2.050	2.050
Equip Rental - O & M Fund	3.860	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.800	3.500
Equip Rental - Replacement Fund	0.520	0.440	0.440	0.440	0.440	0.440	0.440	0.440	0.450	0.250
Facilities Maintenance Fund	2.550	1.710	1.710	1.710	2.710	2.710	2.710	2.710	2.825	2.575
Data Processing Fund	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
Total excluding general fund	61.686	59.379	59.200	55.600	56.330	58.000	58.000	57.950	55.900	52.450
Total FTE Employees	175.516	172.119	173.840	182.820	184.750	191.620	199.150	198.770	197.265	187.190

Construction Projects

Below is the Street related construction projects included in the 2015 budget:

Street Related Capital Projects

<u>Budget Requests</u>	2015 Budget	Future Years
Fund 108 Street Maint	0	0
Fund 109 Arterial Streets	3,815,082	0
Fund 111 Street Overlay	280,000	0
Fund 401 Water/Sewer	0	0
Fund 410 Storm Drain	146,582	0
	<u>4,241,664</u>	<u>0</u>

Wenatchee Downtown Revitalization

Downtown repaving, sewer main rehabilitation, signal modifications, lighting improvements, signage, irrigation improvements, and crosswalk improvements.

Project <u>Revenues</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	244,000	15,734	228,266			45,093	244,000
Fund: #401 - Water/Sewer	487,000	50,804	436,196			(94,091)	487,000
Fund: #108 - Street	42,000		42,000			16,812	42,000
Fund: #111 - Overlay	700,000	51,997	648,003			196,448	700,000
Fund: #001 - General Fund	39,307	36,901	2,406			9,307	39,307
GRANTS:							
Indirect Federal Grant							
CERB	500,000	44,583	455,417				500,000
Total Project Revenues	2,012,307	200,019	1,812,288			173,569	2,012,307
Project <u>Expenditures</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Design	223,000	163,118	59,882			4,319	223,000
Land (ROW Acquisition)	-						
Construction	1,592,550		1,592,550			243,304	1,592,550
Construction Engineering	146,000		146,000			(85,068)	146,000
LID	39,307	36,901	2,406			9,307	39,307
Sales Tax	-						
Other (pending Art Fund)	11,450		11,450			1,707	11,450
Total Project Expenditures	2,012,307	200,019	1,812,288			173,569	2,012,307

SR 285 Miller to Ferry

Durable pavement markings on SR285 Mission/Chelan from the intersection of Miller southerly to a point 575 feet north of Peachy Street as well as two-way Mission from here to George Sellar Bridge.

Project <u>Revenues</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	10,630	9,430	1,200			(4,816)	10,630
GRANTS:							
Indirect Federal Grant	895,353	59,155	289,146	547,052		(74,647)	895,353
TIB							
Total Project Revenues	905,983	68,585	290,346	547,052		(79,463)	895,353
Project <u>Expenditures</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
PE / CE Interfund	140,000	40,801	17,095	82,104		(3,020)	140,000
Transpo Study - Grant	35,353	18,354	16,999			373	35,353
Transpo Study - Arterial	10,630	9,430	1,200			(4,816)	10,630
Construction	720,000		255,052	464,948		(72,000)	720,000
Sales Tax							
Other Art Fund							
Total Project Expenditures	905,983	68,585	290,346	547,052		(79,463)	905,983

Okanogan Red Apple Sidewalks

Install approx. 1550 feet of curb, gutter, and sidewalk along the west side of Okanogan Ave and the south side of Red Apple Rd. Install crosswalks and signing on Red Apple Rd, and improve the intersection of Okanogan/Red Apple Rd including the return radius, sight distance, and signage. Upgrade school zone signage on Okanogan Ave and Red Apple Rd to include flashers and vehicle speed feedback signs.

Project <u>Revenues</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	35,634	365	1,894	51,251			53,510
Fund: #410 - Storm	27,117		967	26,150			27,117
Fund:							-
GRANTS:							-
Indirect Federal Grant	354,420		12,139	324,406			336,545
TIB							-
Total Project Revenues	417,171	365	15,000	401,807			417,172

Project <u>Expenditures</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Engineering Interfund	63,586	365	15,000	48,221			63,586
Land (ROW Acquisition)	21,037			21,037			21,037
Construction	317,927			317,927			317,927
Education	5,000			5,000			5,000
Enforcement	9,000			9,000			9,000
Sales Tax							-
Other Art Fund	621			621			621
Total Project Expenditures	417,171	365	15,000	401,806			417,171

Citywire Safety - Durable Pavement Markings

Durable pavement markings and sign upgrades on Miller Street. This contract has been awarded. It was originally contemplated that construction would be completed this fall. The awarding contractor has concerns regarding weather in placing the durable markings. We will be executing a change order which will allow for a portion of the contract to be completed in 2014.

Project <u>Revenues</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets							
GRANTS:							
Indirect Federal Grant	299,000	98,965	200,035			(1,000)	299,000
TIB							
Total Project Revenues	299,000	98,965	200,035				299,000

Project <u>Expenditures</u> by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Design Interfund	26,262	25,901				262	25,901
Land (ROW Acquisition)							
Construction	265,032	65,378	200,035			(1,968)	265,413
Construction Engineering	7,706	7,686				706	7,686
Sales Tax							
Other Art Fund							
Total Project Expenditures	299,000	98,965	200,035			(1,000)	299,000

McKittrick & Wenatchee Ave Signal

This project includes installation of a traffic signal at the intersection of McKittrick Street and North Wenatchee Avenue (SR 285). The project will allow for U-turns and a center median along North Wenatchee Avenue. The project will also add a fourth leg to the intersection to provide access and circulation that is identified in the Master Plan.

Project Revenues by Category	Overall Budget	Prior Years	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	271,690	22,221	25,650	223,819			271,690
Fund:							
GRANTS:							
Indirect Federal Grant	1,269,330	63,260	164,350	1,041,720			1,269,330
TIB							
Total Project Revenues	1,541,020	85,481	190,000	1,265,539		0.00	1,541,020

Project Expenditures by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Design Engineer Consultant	197,230	85,481	40,000	71,749			197,230
Land (ROW Acquisition)	700,000		150,000	550,000			700,000
Construction	578,010			578,010			578,010
Construction Engineering	65,000			65,000			65,000
Sales Tax							-
Art Fund	780			780			780
Total Project Expenditures	1,541,020	85,481	190,000	1,265,539		0.00	1,541,020

Western Ave Safety Improvements

Improvements of Western Avenue consisting of new traffic signal at intersection of Western / Maple in addition to necessary utility and sidewalk improvements. Improvements to intersection of Cherry and Western. Widen roadway and add curb, gutter, and sidewalk on the east side of Western/No. 2 Canyon from Cherry to intersection of Skyline Drive.

Project Revenues by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	125,034	1,784	7,425	115,825		4,058	125,034
Fund: #410 - Storm	120,432			120,432		0	120,432
GRANTS:							-
Indirect Federal Grant (up to \$795,000)	788,082	11,430	47,575	729,076		0	788,081
TIB							-
Total Project Revenues	1,033,548	13,214	55,000	965,333		4,058	1,033,547

Project Expenditures by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Design Interfund	94,500	13,214	45,000	36,286			94,500
Land (ROW Acquisition)	147,000		10,000	137,000		17,000	147,000
Construction	746,009			746,009			746,009
Construction Engineering	44,000			44,000			44,000
Sales Tax							-
Other Art Fund	2,039			2,039			2,039
Total Project Expenditures	1,033,548	13,214	55,000	965,334		17,000	1,033,548

N. Wenatchee Ave Paving

Bituminous pavement, HMA paving, roadway reconstruction, sidewalk installation, watermain installation, storm drain repairs, and traffic signal modifications

Project Revenues by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	119,249	15,535	103,714			10,719	119,249
Fund: #410 - Storm	131,250	12,600	118,650			(1,313)	131,250
Fund: #401 - Water	122,554		122,554			61,954	122,554
Fund: #401 - Sewer	26,000		26,000			15,900	26,000
GRANTS:							
Indirect Federal Grant	722,280	66,116	656,164			33,580	722,280
TIB							
Total Project Revenues	1,121,333	94,251	1,027,082			120,840	1,121,333

Project Expenditures by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Design Engineer/Interfund	94,626	94,251	375			5,590	94,626
Land (ROW Acquisition)							
Construction	950,637		950,637			102,272	950,637
Construction Engineering	72,248		72,248			12,248	72,248
Sales Tax							
Other Art Fund	3,822		3,822			730	3,822
Total Project Expenditures	1,121,333	94,251	1,027,082			120,840	1,121,333

Mission - Miller Intersection

Modify intersection of Mission and Miller to accommodate truck traffic. Consists of new traffic signal standard, modifying right-turn lane and restricting right turns on red for northbound SR285 among other improvements. The scope of the project was expanded in 2014 to include improvements to the intersections of Chelan Ave (SR285 Couplet) / Miller Street, and Miller & Springwater.

Project Revenues by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #109 - Arterial Streets	129,245	1,067	11,250	116,928		8,269	129,245
GRANTS:							
Indirect Federal Grant							
TIB	725,801	6,046	63,750	656,005		267,000	725,801
Total Project Revenues	855,046	7,113	75,000	772,933		275,269	855,046

Project Expenditures by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Design	97,796	7,113	60,000	30,683		33,000	97,796
Land (ROW Acquisition)	34,000		15,000	19,000		34,000	34,000
Construction	656,970			656,970		225,000	656,970
Construction Engineering	65,000			65,000		22,000	65,000
Sales Tax							
Other Art Fund	1,280			1,280		470	1,280
Total Project Expenditures	855,046	7,113	75,000	772,933		314,470	855,046

Pavement Preservation - Crack Seal

Annual crack seasing project

Project Revenues by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #111 - Street Overlay	65,000			65,000			65,000
Total Project Revenues	65,000	-	-	65,000			65,000

Project Expenditures by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Construction	65,000			65,000			65,000
Total Project Expenditures	65,000	-	-	65,000			65,000

Pavement Preservation - Major Repair

Annual crack seaing project

Project <u>Revenues</u> by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #111 - Street Overlay	65,000			65,000			65,000
Total Project Revenues	65,000	-	-	65,000			65,000

Project <u>Expenditures</u> by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Construction	65,000			65,000			65,000
Total Project Expenditures	65,000	-	-	65,000			65,000

Pavement Management System

This project will develop a comprehensive Pavement Management System (PMS) for the approximately 260 miles of City streets. The PMS will be utilized to rank and prioritize all further maintenance, preservation and reconstruction activities.

Project <u>Revenues</u> by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Fund: #111 - Street Overlay	200,000		50,000	150,000			150,000
Grant							
Total Project Revenues	200,000		50,000	150,000			150,000

Project <u>Expenditures</u> by Category	Overall Budget	Prior Years Spent	ESTIMATES			Budget change previous year	Project Total
			2014	2015	2016		
Pre-design	200,000		50,000	150,000			150,000
Total Project Expenditures	200,000		50,000	150,000			150,000

Utility Funds Capital Projects

	2015 Budget	Future Years
<u>Budget Requests</u>		
Fund 401 Water/Sewer	1,893,000	0
Fund 410 Storm	648,064	0
Fund 415 Regional Water	1,901,000	0
Fund 425 Decan Facility	631,400	0
	<u>5,073,464</u>	<u>0</u>

Sewer repair & replace: Malage St between Kittitas & Spokane; alley south of Cherry & east of Miller

This project will replace (1) a section of sewer main on Malaga St. between Kittitas and Spokane (315' or 900') where the pipe has failed and sinholes have developed in the street and (2) the sewer main in the alley south of Cherry St. and east of Miller (610') that has significant root problems and old, abandoned sewer laterals.

Funding: Fund 401 sewer cash 300,000

Project <u>Expenditures</u> by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering	25,000		25,000			-20,000	25,000
Land (ROW Acquisition)							
Buildings							
Construction	255,000			255,000			255,000
In-house Project Management	20,000			20,000		20,000	20,000
Inspections	25,000			25,000			25,000
Contingency							
Sales Tax							
Other							
Total Project Expenditures	325,000	0	25,000	300,000	0	0	325,000

Misc. water improvements

This budget category includes the annual small works projects identified in the Comprehensive Water System Plan.

Funding: Fund 401 water cash 80,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering							
Land (ROW Acquisition)							
Buildings							
Construction	75,000			75,000			75,000
In-house Project Management	5,000			5,000			5,000
Inspections							
Contingency							
Sales Tax							
Other							
Total Project Expenditures	80,000	0	0	80,000	0	0	80,000

Misc. sewer improvements

This budget category includes the annual small works projects identified in the Comprehensive Sewer Plan. This will include bathrooms at Methow & Pennsylvania Parks and likely include MH repair and pipe lining.

Funding: Fund 401 sewer cash 125,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering							
Land (ROW Acquisition)							
Buildings							
Construction	110,000			110,000			110,000
In-house Project Management	15,000			15,000			15,000
Inspections							
Contingency							
Sales Tax							
Other							
Total Project Expenditures	125,000	0	0	125,000	0	0	125,000

Misc WWTP improvements

This budget category includes the annual small works projects identified in the Comprehensive Sewer Plan. This will include the replacement of additional gas piping construction and adds heating improvements in 2015

Funding: Fund 401 sewer cash 243,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering	7,000		7,000			7,000	7,000
Land (ROW Acquisition)							0
Buildings							0
Construction	225,000			225,000		115,000	225,000
In-house Project Management	15,000			15,000			15,000
Inspections	3,000			3,000		3,000	3,000
Contingency							0
Sales Tax							0
Other							0
Total Project Expenditures	250,000	0	7,000	243,000	0	125,000	250,000

Millerdale Water Main Replacement

This project will replace the under-sized steel water main on Millerdale near the high school. Adjacent streets may also be replaced as several have been identified with asbestos pipe that frequently gets repaired.

Funding: Fund 401 water bond funds 810,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering	65,000		5,000	60,000			65,000
Land (ROW Acquisition)							
Buildings							0
Construction	715,000			715,000			715,000
In-house Project Management	15,000			15,000			15,000
Inspections	20,000			20,000			20,000
Contingency							
Sales Tax							
Other							
Total Project Expenditures	815,000		5,000	810,000			815,000

WWTP Facility Plan Update

Update the 2008 Facility Plan by conducting a comprehensive plant process performance evaluation, a biosolids management plan and a phased approach to upgrading the plant SCADA system. The project will include recommendations for future capital improvement projects.

Funding: Fund 401 sewer cash 257,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Eng HDR	275,000		25,000	250,000			275,000
Land (ROW Acquisition)							
Buildings							
Construction							
In-house Project Management	10,000	2,000	1,000	7,000			10,000
Inspections							
Contingency							
Sales Tax							
Other						62,000	
Total Project Expenditures	285,000	2,000	26,000	257,000	0	62,000	285,000

Snow Melt Facility

The latest iteration for this project involves locating a melt pad to the north of the EQ basin on Worthen. The process will be split between Worthen and the new South Wenatchee Regional Decant Facility to provide flexibility in melting snow throughout the City.

Funding: Fund 410 bond funds 316,729

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design	36,192	36,192				8,463	36,192
Design Engineering	10,000	3,271		6,729		-20,000	10,000
Land (ROW Acquisition)							0
Buildings							0
Construction	290,000			290,000		41,000	290,000
In-house Project Management	12,000			12,000		2,000	12,000
Inspections	8,000			8,000		3,000	8,000
Contingency							0
Sales Tax							
Other							
Total Project Expenditures	356,192	39,463	0	316,729	0	34,463	356,192

Regional Decant (Vactor) Waste Facility

Design and construct a regional vactor waste facility to serve the City, Douglas County, Chelan County and the City of East Wenatchee. The facility will be built on property in South Wenatchee, adjacent to the south yard. Although primarily a stormwater quality project, there is a snow melt component as well.

Project Revenues by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Fund: #410 - Storm Drain Utility	338,376	338,376				338,376	338,376
Fund: #401 - Water/Sewer	150,000	150,000				0	150,000
Grants	1,648,777	387,060	855,070	406,647		111,777	1,648,777
Bonds (Storm)	466,615	116,839	175,023	174,753		-152,385	466,615
Partner Contributions	160,000		110,000	50,000		-65,000	160,000
Total Project Revenues	2,763,768	992,275	1,140,093	631,400		232,768	2,763,768

Project Expenditures by Category	Overall Budget	Prior Years Spent	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering	274,000	152,861	121,139	0		19,000	274,000
Land (ROW Acquisition)	802,768	802,768				-20,232	802,768
Buildings							0
Construction	1,450,000		900,000	550,000		137,000	1,450,000
In-house Project Management	85,000	36,646	28,354	20,000		0	85,000
Inspections	30,000		15,000	15,000		0	30,000
Contingency							0
Sales Tax	122,000		75,600	46,400		122,000	122,000
Other O&M Development	0		0	0		-25,000	0
Total Project Expenditures	2,763,768	992,275	1,140,093	631,400	0	232,768	2,763,768

Regional Water Redundancy & Reliability Pre-Design

This project originally started as an effort to provide enhanced reliability to the Regional production and distribution system. It included portions of projects for Well 5 in the Eastbank Aquifer, a second transmission main, backup wells elsewhere in the Valley and a potential Columbia crossing on the Pedestrian Bridge. The Chelan PUD modeling effort provided additional direction to the team to move towards alternatives on a second redundant course for the Valley. This budget proposes to continue that effort in 2015 by drilling test wells, performing pre-design analyses and cost estimating - eventually leading to a full design effort in coming years.

Funding: Fund 415 cash 708,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design	75,000			75,000		-39,000	75,000
Design Engineering							
Land (ROW Acquisition)							
Buildings							
Construction	625,000			625,000		625,000	625,000
In-house Project Management	10,000		2,000	8,000		-3,000	10,000
Inspections							
Contingency							
Sales Tax							
Other							
Total Project Expenditures	710,000	0	2,000	708,000	0	583,000	710,000

South Mission Utility Upgrade

Replace approximately 155' of existing 8" diameter water main with 12" DIP. Install curb/gutter (no sidewalk) and connect to existing storm line. This will also include the abandonment of a relief valve in the intersection.

Project Revenues by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Fund: #410 - Storm Drain Utility	10,000			10,000			10,000
Fund: #401 - Water/Sewer	23,000		5,000	18,000			23,000
Fund: #109 - Arterial Streets	9,000			9,000			9,000
Grants							0
Bonds (Storm)							0
Partner Contributions							0
Total Project Revenues	42,000		5,000	37,000			42,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering	10,000		5,000	5,000			10,000
Land (ROW Acquisition)							
Buildings							
Construction	27,000			27,000			27,000
In-house Project Management							
Inspections	5,000			5,000			5,000
Contingency							
Sales Tax							
Other							
Total Project Expenditures	42,000		5,000	37,000			42,000

Regional Motor Starter Replacement

The Douglas PUD has required Regional Water to install equipment on the existing well motors to reduce voltage sag impacts on their system and customers. They are amenable to a phased improvement over two years if that is the most realistic financial approach for Regional Water. This project does not include any work to rehabilitate Well #1.

Funding: Fund 415 cash 958,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design	34,000		34,000			34,000	34,000
Design Engineering	119,000		40,000	79,000		40,000	119,000
Land (ROW Acquisition)							
Buildings							
Construction	611,000			611,000			611,000
In-house Project Management	25,000		5,000	20,000		5,000	25,000
Inspections	64,000			64,000			64,000
Contingency	112,000			122,000			122,000
Sales Tax	62,000			62,000			62,000
Other							
Total Project Expenditures	1,027,000		79,000	958,000		79,000	1,037,000

Regional SCADA Upgrades

The first phase of this project will inventory the SCADA and telemetry equipment, evaluate options for fiber optic cabling at key facilities, and recommend radio and PLC upgrades. The second phase, which includes only a budgetary estimate for construction, includes the actual purchase and installation of equipment and integration and programming.

Funding: Fund 415 cash 235,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design	20,000			20,000			20,000
Design Engineering	30,000			30,000			30,000
Land (ROW Acquisition)							
Buildings							
Construction	125,000			125,000			125,000
In-house Project Management	15,000			15,000			15,000
Inspections	20,000			20,000			20,000
Contingency	25,000			25,000			25,000
Sales Tax							0
Other							
Total Project Expenditures	235,000			235,000			235,000

Water System Consolidation Study

The Chelan PUD and the City of Wenatchee will hire a consultant to study the possibility of combining the urban water system under the ownership of the City. The PUD will also be looking for the alternatives to relinquish the other parts of their water utility outside Wenatchee that do not involve the City of Wenatchee.

Funding: Fund 401 cash 60,000

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design							
Design Engineering	60,000			60,000			60,000
Land (ROW Acquisition)							
Buildings							
Construction							
In-house Project Management							
Inspections							
Contingency							
Sales Tax							
Other							
Total Project Expenditures	60,000			60,000			60,000

Linden Tree/Peachey Outfall

The Department of Ecology awarded a grant to the City for design on two stormwater projects - Walla Walla/Linden Tree and the Peachey/Columbia St Basin.

Funding: Fund 410 DOE grant

Project Expenditures by Category	Overall Budget	Prior Years	2014	Future Projections		Budget change previous year	Project Total
				2015	2016		
Pre-design	170,000	8,590	161,410			161,410	170,000
Design Engineering							
Land (ROW Acquisition)							
Buildings							
Construction							
In-house Project Management							
Inspections							
Contingency							
Sales Tax							
Other							
Total Project Expenditures	170,000	8,590	161,410			161,410	170,000

Budget Ordinance 2014-23 Exhibit A – 2015 All Funds Budget Summary

Ordinance 2014-23 will be presented to the City Council November 20, 2014 for approval. Exhibit A to this ordinance is a summary of revenues and expenditures/expenses by fund.

Annual Appropriation Funds	Fund No.	Estimated Beginning Balance	Budgeted Revenue	Appropriations	Estimated Ending Balance
General	001	3,130,967	21,476,990	(21,585,685)	3,022,272
Public Art	101	54,210	15,000	(8,000)	61,210
PFD .2% Sales Tax	102	0	1,520,135	(1,520,135)	0
Paths and Trails	103	5,019	2,735	0	7,754
Tourism Promotion Area	104	192,599	200,000	(200,000)	192,599
Hotel/Motel - Capital	105	39,817	230,000	(230,000)	39,817
Convention Center	106	509,070	838,300	(733,245)	614,125
Hotel/Motel - Tourism	107	226,295	425,000	(425,000)	226,295
Streets	108	423,783	2,143,390	(2,193,855)	373,318
Arterial Street	109	433,651	4,042,620	(4,123,640)	352,631
Long-Term Care - LEOFF 1	110	536,486	132,550	(130,000)	539,036
Street Overlay	111	194,125	759,000	(565,000)	388,125
Low Income Housing	113	58,170	25,000	(45,000)	38,170
Community Center Operations	114	110,889	25,000	(17,690)	118,199
CDBG Entitlement	115	(12,238)	196,820	(196,820)	(12,238)
Health Insurance - LEOFF 1	116	529,100	443,750	(441,375)	531,475
Homeless Housing	117	478,096	975,925	(1,169,925)	284,096
Debt Service - UTGO Bonds	201	(7,170)	326,040	(326,040)	(7,170)
Debt Service - Councilmanic Bonds	205	4,756	1,352,030	(1,351,115)	5,671
R.E. Capital Projects	301	59,815	307,500	(236,520)	130,795
Governmental Capital Projects	302	1,000	0	0	1,000
Local Revitalization Financing Fund	307	27,883	501,500	(500,000)	29,383
Cemetery Endowment	610	987,798	37,000	0	1,024,798
Firemen's Pension	611	1,976,828	66,000	(203,575)	1,839,253
Total Annual Appropriation Funds			36,042,285	(36,202,620)	

Working Capital Funds	Fund No.	Estimated Beginning Working Capital	Budgeted Revenue	Appropriations	Estimated Ending Working Capital
Water/Sewer	401	4,770,982	11,073,155	(12,753,648)	3,090,489
Storm Drain	410	1,072,519	1,931,845	(2,186,585)	817,779
Regional Water	415	2,078,731	1,366,500	(2,416,592)	1,028,639
Solid Waste	420	136,444	0	0	136,444
Vactor Facility	425	0	631,400	(631,400)	0
Cemetery	430	36,603	290,900	(275,215)	52,288
City Services - Equip. O&M	501	171,561	862,850	(848,615)	185,796
City Services - Equip. Replace.	503	2,912,720	826,900	(868,390)	2,871,230
City Services - Facilities	504	264,197	418,600	(370,090)	312,707
Self - Insurance	502	1,476,959	925,000	(925,000)	1,476,959
Information Systems	505	190,066	897,670	(924,130)	163,606
Total Working Capital Funds			19,224,820	(22,199,665)	
Total of all Funds			55,267,105	(58,402,285)	

Budget Ordinance 2014-24 Exhibit A – 2014 Budget Amendment All Funds Summary

Ordinance 2014-24 will be presented to the City Council November 20, 2014 for approval. Exhibit A to this ordinance is a summary of budget amendments to revenues and expenditures/expenses by fund.

			Revenue			Appropriations			
		Beginning	Amendment			Amendment			Ending
	Fund No.	Fund Balance	Initial Budget	Ordinance 2014-24	Total Revenue	Initial Budget	Ordinance 2014-24	Total Approp.	Fund Balance
General	001	2,962,840	21,661,453	1,825,000	23,486,453	(21,626,911)	(1,691,415)	(23,318,326)	3,130,967
Public Art	101	60,685	15,000	0	15,000	(21,475)	0	(21,475)	54,210
PFD .2% Sales Tax	102	0	1,520,132	0	1,520,132	(1,520,132)	0	(1,520,132)	0
Paths & Trails	103	2,169	2,850	0	2,850	0	0	0	5,019
Tourism Promotion Area	104	177,599	185,000	15,000	200,000	(185,000)	0	(185,000)	192,599
Hotel/Motel Capital	105	39,817	191,775	50,000	241,775	(191,775)	(50,000)	(241,775)	39,817
Convention Cntr.	106	396,619	2,216,533	120,000	2,336,533	(2,223,667)	(415)	(2,224,082)	509,070
Hotel/Motel Tourism	107	289,307	383,658	70,000	453,658	(516,670)	0	(516,670)	226,295
Street	108	454,436	1,993,900	0	1,993,900	(2,003,313)	(21,240)	(2,024,553)	423,783
Arterial Streets	109	385,766	3,103,892	(391,690)	2,712,202	(3,366,697)	702,380	(2,664,317)	433,651
LEOFF 1 - Long-Term Care	110	540,236	126,250	0	126,250	(130,000)	0	(130,000)	536,486
Street Overlay	111	495,625	801,000	0	801,000	(1,102,500)	0	(1,102,500)	194,125
Low Income Housing	113	83,170	39,000	(9,000)	30,000	(55,000)	0	(55,000)	58,170
Community Center Operations	114	132,089	15,000	0	15,000	(13,200)	(23,000)	(36,200)	110,889
CDBG Entitlement	115	(12,238)	205,206	0	205,206	(205,206)	0	(205,206)	(12,238)
LEOFF 1 - Health Care	116	530,602	455,137	0	455,137	(456,639)	0	(456,639)	529,100
Homeless Housing	117	526,731	1,113,517	(55,015)	1,058,502	(1,112,517)	5,380	(1,107,137)	478,096
Debt Svc. - UTGO Bonds	201	(7,170)	326,035	0	326,035	(326,035)	0	(326,035)	(7,170)
Debt Svc. - LTGO Bonds	205	4,758	1,457,238	1,200,000	2,657,238	(1,457,240)	(1,200,000)	(2,657,240)	4,756
R.E. Capital Projects	301	24,673	426,035	0	426,035	(390,893)	0	(390,893)	59,815
Governmental Capital Projects	302	1,000	0	0	0	0	0	0	1,000
Local Revitalization Funding	307	96,383	501,500	0	501,500	(500,000)	(70,000)	(570,000)	27,883
Cemetery Endowment	610	952,798	35,000	0	35,000	0	0	0	987,798
Firemen's Pension	611	2,062,995	46,000	0	46,000	(132,167)	0	(132,167)	1,976,828
			36,821,111	2,824,295	39,645,406	(37,537,037)	(2,348,310)	(39,885,347)	

WORKING CAPITAL FUNDS

WORKING CAPITAL FUNDS									
	Fund No.	Beginning Fund Balance	Revenue Amendment			Appropriations Amendment			Ending Fund Balance
			Initial Budget	Ordinance 2013-35	Total Revenue	Initial Budget	Ordinance 2013-35	Total Approp.	
Water/Sewer	401	7,632,532	10,711,052	0	10,711,052	(13,572,602)	0	(13,572,602)	4,770,982
Storm Drain	410	2,424,062	1,786,802	48,545	1,835,347	(3,186,890)	0	(3,186,890)	1,072,519
Regional Water	415	1,335,620	1,366,500	0	1,366,500	(623,389)	0	(623,389)	2,078,731
Solid Waste	420	252,967	809,152	0	809,152	(925,675)	0	(925,675)	136,444
Decant (Vactor) Facility	425	0	1,531,000	0	1,531,000	(1,531,000)	0	(1,531,000)	0
Cemetery	430	25,178	265,950	30,000	295,950	(284,525)	0	(284,525)	36,603
City Svc - O&M	501	174,141	956,761	0	956,761	(959,341)	0	(959,341)	171,561
City Svc - Replace.	503	2,625,895	1,179,586	(80,000)	1,099,586	(812,761)	0	(812,761)	2,912,720
City Svc - Fac Maint	504	168,801	306,100	80,000	386,100	(290,704)	0	(290,704)	264,197
Self-Insurance	502	1,341,242	1,094,407	0	1,094,407	(958,690)	0	(958,690)	1,476,959
Information Technology	505	293,686	834,680	0	834,680	(865,800)	(72,500)	(938,300)	190,066
			<u>20,841,990</u>	<u>78,545</u>	<u>20,920,535</u>	<u>(24,011,377)</u>	<u>(72,500)</u>	<u>(24,083,877)</u>	
			57,663,101	2,902,840	60,565,941	(61,548,414)	(2,420,810)	(63,969,224)	